sentatives in the Congress, requesting the Federal agencies having the control of the allocation of grain for alcoholic beverages, to reexamine the entire program of these agencies to ascertain the true economic facts with a view to giving brewers and distillers increased allocations; to the Committee on Agriculture.

2032. By the SPEAKER: Petition of the Lawyers Committee of the Hundred, petitioning consideration of their resolution with reference to impeachment of Robert Houghwout Jackson, a justice of the Supreme Court of the United States; to the Committee on the Judiciary.

SENATE

TUESDAY, JUNE 25, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, high and holy above all our thought, the path of prayer but leads us to an appalling sense of our own need and to a sickening realization of how far we have fallen short of the glory of Thy plan for us and for mankind. Yet apart from Thee our outlook for the future is clouded by apprehensions that haunt us and murder sleep; our minds are plagued with questions that we cannot answer as to how humanity with the dread secret of nature in its fumbling hands can live on this planet in peace and security. Our hopes of a united world, for which costly blood has been poured upon the anguished ground, seem ever to move into thin air from our eager grasp, like mirages of the desert. O God, the answers for which we gropingly seek in the darkness of our own devices are hidden in Thy heart.

Make us such men that Thou mayest speak to us and that to this bewildered generation we may be the broadcasters of Thy voice. So shall the world that ever surely climbs to Thy desire grow swifter toward Thy purpose and intent. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, June 24, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 24, 1946, the President had approved and signed the following acts and joint resolution:

S. 943. An act granting the consent of Congress to the State of Washington to construct, maintain, and operate a free highway bridge across the Columbia River at Northport, Wash.;

S. 1043. An act to set aside certain lands in Oklahoma in trust for the Indians of the Kiowa, Comanche, and Apache Indian Reservation;

S. 1336. An act to transfer certain real and personal property in Ward County, N. Dak., to the State of North Dakota, acting by and through the Industrial Commission of North Dakota; and

S. J. Res. 162. Joint resolution extending for 7 months the period of time during which alcohol plants are permitted to produce sugars or sirups simultaneously with the production of alcohol.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the bill (S. 896) to amend the act entitled "An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended," approved January 24, 1942, and for other purposes.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 2544. An act for the relief of Willie Hines;

H. R. 2954. An act for the relief of John Hamlet;

H. R. 3010. An act for the relief of Mrs. Marie Edens Nast, Mrs. Bessie Amann, and George R. Townsend; and

H. R. 5208. An act for the relief of Michael J. Keaveney and Mary C. Keaveney.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4230) to provide necessary officers and employees for circuit courts of appeals and district courts; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BYRNE of New York, Mr. CRAVENS, and Mr. REED of Illinois were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LUDLOW, Mr. O'NEAL, Mr. D'ALESANDRO, Mr. KOPPLEMANN, Mr. CANNON of Missouri, Mr. TABER, Mr. KEEFE, and Mr. CANFIELD were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6084) to amend the Pay Readjustment Act of 1942, as amended, so as to provide an increase in pay for personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 5626) to authorize the Veterans' Administration to appoint and employ retired officers without affecting their retired status, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAY, Mr. THOMASON, Mr. BROOKS, Mr. SHORT, and Mr. ARENDS were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 2218. An act to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended;

S. 2219. An act to extend for the period of 1 year the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended;

H. R. 32. An act to amend the act entitled "An act to protect trade and commerce against interference by violence, threats, coercion, or intimidation," approved June 18, 1934; and

H. R. 5876. An act to authorize the Secretary of Agriculture to extend and renew to Chicago, Milwaukee, St. Paul & Pacific Railroad Co. for the term of 10 years a lease to Henry A. Scandrett, Walter J. Cummings, and George I. Haight, trustees of Chicago, Milwaukee, St. Paul & Pacific Railroad Co., of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, and for a right-of-way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 25, 1936.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WAGNER, from the Committee on Military Affairs:

S. 2020. A bill granting a right-of-way at a revised location to the West Shore Railroad Co., the New York Central Railroad Co., lessee, across a portion of the military reservation at West Point; without amendment (Rept No. 1584).

By Mr. RUSSELL, from the Committee on Immigration:

S. 2351. A bill for the relief of Marian Antoinette McCloud; without amendment (Rept. No. 1585).

By Mr. WALSH, from the Committee on Naval Affairs:

S. 2349. A bill to permit the Secretary of the Navy to delegate the authority to compromise and settle claims for damages to property under the jurisdiction of the Navy Department, and for other purposes; without amendment (Rept. No. 1586).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH:

S. 2367. A bill to authorize the Secretary of the Navy to construct aviation facilities at the United States Naval Academy, Annapolis, Md., and for other purposes; to the Committee on Naval Affairs.

By Mr. CAPEHART:

S. 2368 A bill authorizing the Indiana State Toll Bridge Commission to construct, maintain and operate a toll bridge, or a free bridge, across the Ohio River at or near Lawrenceburg, Dearborn County, Ind.; to the Committee on Commerce.

By Mr. O'DANIEL (by request):

S. 2369. A bill for the relief of Col. S. V. Constant, General Staff Corps; and

S. 2370. A bill for the relief of Edgar F. Russell, Lillian V. Russell, his wife, and Bessie R. Ward; to the Committee on Claims.

By Mr. HOEY:

S. 2371. A bill to amend section 121 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended, to authorize the appointment of three additional deputies for the register of wills; to the Committee on the District of Columbia.

By Mr. GOSSETT:

S. 2372. A bill to authorize the Secretary of the Interior to construct the Lewiston Orchards project, Idaho, in accordance with the Federal reclamation laws; to the Committee on Irrigation and Reclamation.

TITLES TO LANDS BENEATH TIDEWATERS AND NAVIGABLE WATERS—AMENDMENT

Mr. CAPEHART submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 225) to quiet the titles of the respective States, and others, to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent clouding of such titles, which was ordered to lie on the table and to be printed.

STATEMENTS OF CIRCULATION BY WEEKLY NEWSPAPERS—WITHDRAWAL OF MOTION TO RECONSIDER

Mr. WILLIS. Mr. President, on Friday, June 14, during my temporary absence from the Chamber, the Senate passed during the call of the calendar House bill 2543, requiring weekly newspapers to include a sworn statement of their circulation in their annual report of ownership to the Post Office Department. I had on a previous occasion interposed an objection to the consideration of the measure, and, that objection not having been waived by me prior to the time it was called up, I filed a motion to reconsider the vote by which the bill was passed by the Senate.

I desire now to state my reasons for that objection; and after I have stated these reasons I shall ask to have the motion to reconsider withdrawn, because I do not care to take the time of the Senate to fully debate the measure. However, I believe if the House and Senate had had full understanding of the principles involved neither body would have passed the bill.

The Post Office Department already has access to the actual number of papers which a newspaper circulates through the mail in the statements which are made to the local office for the computation of postage paid by the paper. This bill will provide no new information to the Post Office Department necessary for the proper conduct of its business.

The real intent of the bill is to police the circulation of newspapers, to give assurance to advertisers and advertising agencies of the truthfulness of circulation statements made by publishers. I have no toleration for the immorality practiced in a false circulation statement, and I am personally of the opinion that the weekly newspapers would profit in the end by a compulsory statement of sworn circulation. But it is not the function of the United States Government to police the circulation of a newspaper, any more than to require the newspaper publisher to pay his debts or to sweep the sidewalk clean in front of his office every morning. It is not possible to legislate morality into a man or a business. This bill, if it becomes a law, will be using the United States Government, through its Post Office Department, to perform a function for which there can be no just support. My objection to the bill has not been based on the objective rightly desired, but upon the perversion of the institution of the Government, and because of my growing objection to the Government sticking its nose into a lot of minor affairs of the people in which it has no legitimate business.

Mr. President, as I have stated, I have no objection to the purpose of the bill, and I have respect for the good intention of those who have been advocating it. Therefore, I ask unanimous consent to withdraw my motion to reconsider the vote by which H. R. 2543 was passed by the Senate on June 14, 1946.

The PRESIDENT pro tempore. Without objection, the motion to reconsider is withdrawn.

PRINTING OF ADDITIONAL COPIES OF SENATE DOCUMENT NO. 206, ENTITLED "ECONOMIC CONCENTRATION AND WORLD WAR II"

Mr. MURRAY submitted the following resolution (S. Res. 292), which was referred to the Committee on Printing:

Resolved, That there be printed for the use of the Special Committee To Study Problems of American Small Business 2,000 additional copies of Senate Document No. 206, being a report entitled "Economic Concentration and World War II," made to the special committee by the Smaller War Plants Corporation.

QUESTIONS AND ANSWERS ON EQUAL RIGHTS AMENDMENT (S. DOC. NO. 209)

Mr. AUSTIN. Mr. President, I ask unanimous consent to have printed as a Senate document what is really a reprint of a document which I requested to be printed on September 15, 1943. It bears the same title. The subject matter has been brought up to date. The title of the document is "Questions and Answers on the Equal Rights Amendment" prepared by the research department of the National Woman's Party, Helena Hill Weed, chairman.

The PRESIDENT pro tempore. Without objection, it is so ordered.

UNIFICATION OF THE ARMED FORCES

Mr. HILL. Mr. President, on behalf of the senior Senator from Utah [Mr. THOMAS], chairman of the Committee on Military Affairs, I ask to have printed in the body of the RECORD a letter addressed by the President of the United States under date of June 15, 1946, to the Senator from Utah as chairman of the Committee on Military Affairs on the subject of the unification of our armed forces.

I also ask to have printed following the letter from the President the joint letter of the Secretary of War, Mr. Patterson, and the Secretary of the Navy, Mr. Forrestal, to the President under date of the 31st day of May last, on the subject of the unification of our armed forces; and following that matter the letter of the President to the Secretary of War, Mr. Patterson, and the Secretary of the Navy, Mr. Forrestal, under date of June 15 last. All these letters are on the subject of the unification of our armed forces.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, June 15, 1946.

The Honorable ELBERT D. THOMAS,
Chairman, Senate Military Affairs Committee, Senate Office Building, Washington, D. C.

MY DEAR SENATOR THOMAS: One of the most important problems confronting our country today is the establishment of a definite military policy.

In the solution of this problem, I consider it vital that we have a unified armed force for our national defense.

At my request the Secretary of War and the Secretary of the Navy have made a sincere effort to settle the differences existing between the services on this question. They have made splendid progress.

They have reached an agreement on eight important elements of unification, and with reference to the four upon which there was not full agreement, their differences are not irreconcilable.

On May 31, 1946, the Secretary of War and the Secretary of the Navy delivered a report to me of the results of their efforts. I have replied to them today stating my position on those points submitted to me for decision.

I enclose herewith a copy of the report of the Secretary of War and the Secretary of the Navy, together with a copy of my reply to them.

You will note that there are now presented 12 basic principles upon which the unification of the services can be based. They are as follows:

1. SINGLE MILITARY DEPARTMENT

There should be one Department of National Defense. It would be under the control of a civilian who would be a member of the Cabinet. Each of the services would be headed by a civilian with the title of "Secretary." These Secretaries would be charged with the internal administration within their own services. They would not be members of the Cabinet. Each service would retain its autonomy, subject, of course, to the authority and over-all control by the Secretary of National Defense. It is recognized that the services have different functions and different organizations and for these reasons the integrity of each service should be retained. The civilian secretaries of the services would be members of the Council of Common Defense and in this capacity they would have the further opportunity to represent their respective services to the fullest extent.

2. THREE COORDINATE SERVICES

There should be three coordinate services—the Army, Navy, and Air Force. The three services should be on a parity and should operate in a common purpose toward over-all efficiency of the national defense under the control and supervision of the Secretary of National Defense. The Secretaries of the three services should be known as Secretary for the Army, Secretary for the Navy, and Secretary for the Air Force.

3. AVIATION

The Air Force shall have the responsibility for the development, procurement, maintenance, and operation of the military air resources of the United States with the following exceptions, in which responsibility must be vested in the Navy:

(1) Ship, carrier and water-based aircraft essential to naval operations, and aircraft of the United States Marine Corps.

(2) Land-type aircraft necessary for essential internal administration and for air

transport over routes of sole interest to naval forces and where the requirements cannot be met by normal air transport facilities.

(3) Land-type aircraft necessary for the training of personnel for the afore-mentioned purposes.

Land based planes for naval reconnaissance, antisubmarine warfare and protection of shipping can and should be manned by Air Force personnel. If the three services are to work as a team there must be close cooperation, with interchange of personnel and special training for specific duties.

Within its proper sphere of operation, naval aviation must not be restricted but must be given every opportunity to develop its maximum usefulness.

4. UNITED STATES MARINE CORPS

There shall be maintained as a constituent part of the naval service a balanced Fleet Marine Force, including its supporting air component, to perform the following functions:

(1) Service with the fleet in the seizure or defense of advanced naval bases or for the conduct of such limited land operations as are essential to the prosecution of a naval campaign.

(2) To continue the development of those aspects of amphibious operations which pertain to the tactics, technique, and equipment employed by the landing forces.

(3) To provide detachments and organizations for service on armed vessels of the Navy.

(4) To provide security detachments for protection of naval property at naval stations and bases.

5. COUNCIL OF NATIONAL DEFENSE

To integrate our foreign and military policies and to enable the military services and other agencies of Government to cooperate more effectively in matters involving our national security. The membership of this council should consist of the Secretary of State, the civilian head of the Military Establishment, the civilian heads of the military services, and the Chairman of the National Security Resources Board, referred to below.

6. NATIONAL SECURITY RESOURCES BOARD

To establish, and keep up to date, policies and programs for the maximum use of the Nation's resources in support of our national security. It should operate under the Council and be composed of representatives of the military services and of other appropriate agencies.

7. THE JOINT CHIEFS OF STAFF

To formulate strategic plans, to assign logistic responsibilities to the services in support thereof, to integrate the military programs, to make recommendations for integration of the military budget, and to provide for the strategic direction of the United States military forces.

8. NO SINGLE MILITARY CHIEF OF STAFF

In the opinion of the War Department, the Military Establishment should contain a single military Chief of Staff, who would serve as principal military adviser, available to offer advice when differences of opinion arise among the military heads of the several services. The Navy feels that the Joint Chiefs of Staff should be the highest source of military advice. The War Department is willing to omit the feature of a single Chief of Staff.

9. CENTRAL INTELLIGENCE AGENCY

To compile, analyze, and evaluate information gathered by various Government agencies, including the military, and to furnish such information to the National Defense Council and to other Government agencies entitled thereto. It should operate under the Council. An organization along these lines, established by Executive order, already exists.

10. PROCUREMENT AND SUPPLY

There should be an agency to prevent wasteful competition in the field of military supply and procurement through joint planning and coordination of procurement, production, and distribution.

11. RESEARCH AGENCIES

There should be an agency to coordinate the scientific research and development of the military services.

12. MILITARY EDUCATION AND TRAINING

There should be an agency to review periodically the several systems of education and training of personnel of the military services and to adjust them into an integrated program.

A plan of unification containing these 12 elements has my unqualified endorsement. The Secretary of War, the Secretary of the Navy, the Chief of Staff of the Army, and the Chief of Naval Operations have assured me that they will support such a plan.

It is my hope that the Congress will pass legislation as soon as possible effecting a unification based upon these 12 principles.

Very sincerely yours,

HARRY S. TRUMAN.

MAY 31, 1946.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Pursuant to your instructions, we have reviewed the major elements involved in establishing a greater measure of unification among our national security organizations, with a view to defining those matters upon which we agree and those upon which we differ. While we regret our inability to bridge completely the gap between us, we are pleased to be able to report a considerable area of agreement. Sincere efforts to expand it were made by both of us.

For your convenience, we outline below those matters upon which agreement exists and those upon which we are unable to agree. The order of presentation is not intended to indicate the relative importance of the various items.

I. Agreement exists on the following matters:

1. COUNCIL OF COMMON DEFENSE

To integrate our foreign and military policies and to enable the military services and other agencies of Government to cooperate more effectively in matters involving our national security. The membership of this council should consist of the Secretary of State, the civilian head of the Military Establishment (if there be a single military department), the civilian heads of the military services, and the Chairman of the National Security Resources Board, referred to below.

2. NATIONAL SECURITY RESOURCES BOARD

To establish, and keep up to date, policies and programs for the maximum use of the Nation's resources in support of our national security. It should operate under the council and be composed of representatives of the military services and of other appropriate agencies.

3. THE JOINT CHIEFS OF STAFF

To formulate strategic plans to assign logistic responsibilities to the services in support thereof, to integrate the military programs, to make recommendations for integration of the military budget, and to provide for the strategic direction of the United States military forces.

4. NO SINGLE MILITARY CHIEF OF STAFF

In the opinion of the War Department, the Military Establishment should contain a single military Chief of Staff, who would serve as principal military adviser, available to offer advice when differences of opinion arise among the military heads of the several services. The Navy feels that the Joint Chiefs of Staff should be the highest source of military advice. The War Department is willing to omit the feature of a single Chief of Staff.

5. CENTRAL INTELLIGENCE AGENCY

To compile, analyze, and evaluate information gathered by various Government agencies, including the military, and to furnish such information to the national security council and to other Government agencies entitled thereto. It should operate under the council. An organization along these lines, established by Executive order, already exists.

6. PROCUREMENT AND SUPPLY

There should be an agency to prevent wasteful competition in the field of military supply and procurement through joint planning and coordination of procurement, production, and distribution. If there should be a single military department, this agency should be within the department.

7. RESEARCH AGENCIES

There should be an agency to coordinate the scientific research and development of the military services. If there should be a single military department, this agency should be within the department. The existence of such an agency would not remove the need for an over-all Central Research Agency.

8. MILITARY EDUCATION AND TRAINING

There should be an agency to review periodically the several systems of education and training of personnel of the military services and to adjust them into an integrated program. If there should be a single military department, this agency should be within the department.

As to the agencies mentioned in 6, 7, and 8 above, the War Department believes that these agencies will not be fully effective except as agencies within a single department. The Navy, on the other hand, believes that they will be more fully effective under a coordinated organization than under a single military department.

II. We are unable to agree on the following matters:

1. SINGLE MILITARY DEPARTMENT

WAR DEPARTMENT VIEW	NAVY DEPARTMENT VIEW
The Military Establishment should be set up as a single entity, headed by a civilian of Cabinet rank with authority and responsibility for the several services. The administration and supervision of the services should, however, so far as possible, be delegated to their respective heads in order that each service may have as much freedom of development as possible and in order that the traditions and prestige of each be not impaired.	The Navy favors unification, but in a less drastic and extreme form. It believes that serious disadvantages will result from combining the military services into one department. It would involve sacrifices of sound administrative autonomy and essential service morale.
(Only if there is this unity of structure, headed by an individual with power of decision, can we achieve action where there is now inaction, concerted policy where there is now disjointed policy, and economy of manpower, resources, and money where there is now waste of	The Navy recognizes the need for a greater measure of integration than now exists not only between the military departments but among all agencies of Government responsible for our national security. A single military department falls short of meeting these objectives.
	While the Navy feels that the measures upon which agreement exists, as set forth above, would fully meet the needs of present conditions, it sees certain advantages in

WAR DEPARTMENT VIEW

them all. Any organization which does not facilitate prompt decision and prompt action thereon, totally ignores scientific development and the nature of modern war. The military security of the United States is a single objective. Accomplishment of this single objective with the greatest economy and efficiency demands unity of direction.)

NAVY DEPARTMENT VIEW

placing a Presidential Deputy with clearly defined powers of decision over specified matters at the head of the Council of Common Defense. From this as a starting point it should be possible to move forward such further measures of unification as become advisable, based on further experience.

The Secretary of the Navy recommends to the President, in view of the wide area of agreement which presently exists, that legislation be enacted at once giving statutory effect to those matters on which there is agreement. These steps will of themselves constitute a very substantial advance over our prewar, and even our present, organization for national security. If they are put into effect, it will be possible, in the opinion of the Secretary of the Navy, to meet the nine specific objectives set forth in the President's message to the Congress on December 19, 1945. Further consideration and study can then be given to the remaining questions on which there is wide and general divergence of view between, and outside of, the military departments.

2. THREE COORDINATE BRANCHES

WAR DEPARTMENT VIEW

The Military Establishment should contain three coordinate branches—naval, ground, and air. Each should have a civilian head and a military commander. These officials should have access to the President, but not Cabinet rank since this would be in derogation of the position of the civilian head of the Military Establishment. As was stated above, the three branches should be given as much autonomy as possible. (Our experience in the last war clearly indicates that parity for the Air Forces and the operation of all three services as a team are essential to our national security.

NAVY DEPARTMENT VIEW

The Navy feels that our national security requires maintenance of the integrity of the Navy Department, headed by a civilian Secretary of Cabinet rank. Naval aviation, together with surface and subsurface components, have been soundly integrated within the Navy. The Navy feels that similar integration by the Army of its air and ground forces would be in the best interest of our national security.

However, if the alternatives were three military departments or one, the Navy would prefer three departments.

WAR DEPARTMENT VIEW

Everything that we know of the future points to an increase rather than a decrease in the decisive role of air power.)

NAVY DEPARTMENT VIEW

3. AVIATION

WAR DEPARTMENT VIEW

Responsibility for the development, procurement, maintenance, and operations of the military air resources of the United States should be a function of the Air Forces with the following exceptions, in which cases these responsibilities should be vested in the United States Navy: (a) Ship, carrier, and water-based aircraft essential to naval operations including those of the United States Marine Corps. (b) Land-type aircraft necessary for essential internal administration and for air transport over routes of sole interest to naval forces and where the requirements cannot be met by normal air transport facilities. (c) Land-type aircraft necessary for the training of personnel for (a) and (b) above.

(The Nation cannot afford the luxury of several completely self-sufficient services. The war demonstrated that they must be complementary — mutually supporting. With respect to landplanes, there are no purely naval functions which justify uneconomical duplication of equipment and installations. For example, the Air Forces already performs long-range reconnaissance for the ground forces and itself. The Navy's recognized requirement for the products of long-range reconnaissance can be effectively filled by the Air Forces. As regards anti-submarine warfare, it is the view of the War Department that the experience of the Army Air Forces in the last war adequately justifies the belief that landbased planes operated by the Air Forces can meet this requirement.)

NAVY DEPARTMENT VIEW

The Navy has no desire either to compete with, or to dictate to, the Army Air Forces. On the other hand, the Navy feels that its experience qualifies it to judge its own aviation needs.

One reason for the Navy's strong conviction against a single department is the continued efforts of the Army Air Forces to restrict and limit naval aviation. The Navy knows that these efforts, if successful, would seriously impair our sea power and jeopardize our national security.

To accomplish its fundamental purpose, the Navy needs a certain number of landplanes for naval reconnaissance, antisubmarine warfare and protection of shipping. Experience indicates that such landplanes, to be effective, must be manned by naval personnel trained in naval warfare. Lack of such aircraft under complete naval control as to design, procurement, operations, personnel, training, and administration might be disastrous to our national security. Similarly, the Navy must have air transport essential to its needs.

4. UNITED STATES MARINE CORPS

The Navy and the Army differ on the functions of the United States Marine Corps, as follows:

WAR DEPARTMENT VIEW

There shall be maintained as a constituent part of the naval service a balanced Fleet Marine Force including its supporting air component for—

(1) Service with the fleet in the seizure of enemy positions not involving sustained land fighting, and

(2) To continue the development of tactics, techniques, and equipment relating to those phases of amphibious warfare which pertain to waterborne aspects of landing operations.

NAVY DEPARTMENT VIEW

There shall be maintained as a constituent part of the naval service a balanced Fleet Marine Force including its supporting air component for—

(1) Service with the fleet in the seizure of defense of advance naval bases or for the conduct of such limited land operations as are essential to the prosecution of a naval campaign, and

(2) To continue the development of those aspects of amphibious operations which pertain to the tactics, techniques, and equipment employed by landing forces.

There is agreement upon the other primary duties of the Marine Corps, viz:

(1) To provide detachments and organizations for service on armed vessels of the Navy, and

(2) To provide security detachments for protection of naval property at naval stations and bases.

These matters have been explored by us with a sincere desire to comply with your wishes that the military services reach complete mutual agreement. Our failure to achieve complete unanimity is due to no reason other than that our respective views on the points of difference are as sincere as they are divergent.

Faithfully yours,

ROBERT P. PATTERSON,
Secretary of War.
JAMES FORRESTAL,
Secretary of the Navy.

JUNE 15, 1946.

The Honorable ROBERT P. PATTERSON,
Secretary of War.
The Honorable JAMES FORRESTAL,
Secretary of the Navy.

GENTLEMEN: I have read with care your joint report of May 31, 1946. It was also helpful to me to have the full oral presentation of the points involved, which you and the members of your departments made to me on June 4.

I am pleased and gratified at the progress you have made. I feel that we have come a long way in narrowing the zone of disagreement which had previously existed between the services. The full understanding reached on eight vital aspects of unification is a significant accomplishment. These eight elements are Council of Common Defense, National Security Resources Board, Joint Chiefs of Staff, omission of single Military Chief of Staff, Central Intelligence Agency, Procurement and Supply, Research Agencies, and Military Education and Training.

In addition to these eight points of agreement, I am advised also by representatives of both services that they are in accord in their attitude toward the provision in the Thomas bill, S. 2044, which provides for four assistant secretaries in charge of research, intelligence, procurement, and training, respectively. They believe that such assistant secretaries are unnecessary. I agree with

their position that the presence of these four assistant secretaries is undesirable because they would greatly complicate the internal administration of the services and that such a plan would deprive the secretaries of the respective services of functions which are properly theirs.

Your report of May 31 listed four items upon which you were unable to agree. An analysis of your comments contained in your report, and in the lengthy discussion which we had, discloses that the services are not nearly so far apart in their attitude toward these points as had been reported. It is my firm conviction that the determination of these questions in the manner which I present herein will result in a plan which incorporates the best features offered by the respective services.

With reference to the points upon which full agreement was not reached my position is as follows:

1. SINGLE MILITARY DEPARTMENT

There should be one Department of National Defense. It would be under the control of a civilian who would be a member of the Cabinet. Each of the services would be headed by a civilian with the title of Secretary. These secretaries would be charged with the internal administration within their own services. They would not be members of the Cabinet. Each service would retain its autonomy, subject of course to the authority and over-all control by the Secretary of National Defense. It is recognized that the services have different functions and different organizations and for these reasons the integrity of each service should be retained. The civilian secretaries of the services would be members of the Council of Common Defense and in this capacity they would have the further opportunity to represent their respective services to the fullest extent.

2. THREE COORDINATED SERVICES

There should be three coordinate services—the Army, Navy, and Air Force. The three services should be on a parity and should operate in a common purpose toward over-all efficiency of the National Defense under the control and supervision of the Secretary of National Defense. The secretaries of the three services should be known as Secretary for the Army, Secretary for the Navy, and Secretary for the Air Force.

3. AVIATION

The Air Force shall have the responsibility for the development, procurement, maintenance, and operation of the military air resources of the United States with the following exceptions, in which responsibility must be vested in the Navy:

(1) Ship, carrier, and water-based aircraft essential to naval operations, and aircraft of the United States Marine Corps.

(2) Land-type aircraft necessary for essential internal administration and for air transport over routes of sole interest to naval forces and where the requirements cannot be met by normal air transport facilities.

(3) Land-type aircraft necessary for the training of personnel for the aforementioned purposes.

Land-based planes for naval reconnaissance, antisubmarine warfare, and protection of shipping can and should be manned by air force personnel. If the three services are to work as a team there must be close cooperation, with interchange of personnel and special training for specific duties.

Within its proper sphere of operation, naval aviation must not be restricted but must be given every opportunity to develop its maximum usefulness.

4. UNITED STATES MARINE CORPS

There shall be maintained as a constituent part of the naval service a balanced fleet marine force including its supporting air component to perform the following functions:

(1) Service with the fleet in the seizure or defense of advanced naval bases or for the conduct of such limited land operations as are essential to the prosecution of a naval campaign.

(2) To continue the development of those aspects of amphibious operations which pertain to the tactics, technique, and equipment employed by the landing forces.

(3) To provide detachments and organizations for service on armed vessels of the Navy.

(4) To provide security detachments for protection of naval property at naval stations and bases.

It is important that the basic elements of the plan of unification be stated clearly. The 8 fundamental points agreed upon and the 4 points which are herewith decided, constitute a total of 12 basic principles that should form the framework of the program for integration.

There is no desire or intention to affect adversely the integrity of any of the services. They should perform their separate functions under the unifying direction, authority and control of the secretary of national defense. The internal administration of the three services should be preserved in order that the high morale and esprit de corps of each service can be retained.

It was gratifying to have both of you and General Eisenhower and Admiral Nimitz assure me that you would all give your wholehearted support to a plan of unification no matter what the decision would be on those points upon which you did not fully agree. I know that I can count upon all of you for full assistance in obtaining passage in the Congress of a bill containing the 12 basic elements set forth above.

Very sincerely yours,

HARRY S. TRUMAN.

OPENING OF MAIL AND PARCEL POST SERVICE TO ALLIED ZONES IN GERMANY

Mr. WILEY. Mr. President, all the world is watching the proceedings of the Big Four Foreign Ministers Conference in Paris.

One of the questions which is, of course, at stake is the ultimate outlook for the German people. When will they be able through our guidance and control to resume a proud, respected place in the family of nations?

Some months ago I addressed a communication to the commanders in charge of our troops in the occupied area of Germany in relation to mailing into that area parcels of food sent by Americans of German descent living in this country to relatives in Germany. That correspondence is in the CONGRESSIONAL RECORD.

I have written an identical letter to the French, Russian, and British members of the Control Council of the Allied Control Authority in Berlin, respectfully asking that they open mail service between their zones in Germany and overseas, so that Americans of German descent in this country could forward parcels to the starving people of those areas. At the present time the American zone is open to mail service, but the foreign zones are not. I ask unanimous consent to have a copy of that letter printed in the RECORD following my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
June 22, 1946.

FRENCH MEMBER, CONTROL COUNCIL, ALLIED CONTROL AUTHORITY, BERLIN, GERMANY.

DEAR SIR: I am respectfully addressing this inquiry to yourself and your Russian and British colleagues on the Allied Control Authority in order to urge the opening up of mail service between the United States and the British, French, and Russian occupied zones in Germany.

The purpose would, of course, be to enable American citizens to forward relief parcels through the mails to their friends and relatives in the afore-mentioned zones, just as relief packages may now be sent to the American occupied zone. I understand that at a meeting of your Council on June 14 of this month, final decision on this matter was delayed. May I humbly point out that each passing day is causing great anxiety in many American homes for the welfare of kinfolk abroad as well as much suffering, with which you are more familiar than I, in your zone.

I understand that the state of communications within your zone is still not entirely satisfactory, but I do not see this as sufficient reason for prohibiting mail service, particularly in view of the fact that the American occupied zone has, in spite of communication difficulties, allowed the resumption of mail. It seems to me, also, that each of the occupying authorities has an obligation to make provision for the necessary communications facilities in order to allow relief shipments to come in.

Back in January of this year, I addressed a letter to General McNarney urging the opening of the United States zone to mail service. Later I corresponded with General Clark in Austria along a similar line. Fortunately, our United States authorities saw fit to heed the appeal of many others and myself to allow the generous heart of America to forward supplies to the stricken people in the area under our control

Please be assured, sir, of my understanding of the difficulties of the problems faced by the Allied Control Authority. However, those difficulties will, in my personal opinion, be complicated and aggravated in the event that mail service is not resumed. The date at which the German people may resume a proud, respected place in the family of nations will be further delayed by failure to open mail service in all zones.

In the light of all the above, may I earnestly ask if you would advise me at the earliest possible date as to the facts in this matter regarding your official position on this subject, and may I fervently ask that you personally take the necessary actions to fill this humanitarian need.

The conscience of the American people has been deeply touched by the want and misery among our former foes, just as we have been even more concerned with the desperate circumstances experienced by our allies, including, of course, your own people.

We have not forgotten the injunction to "do unto others even as ye would have them do unto you" and to "love thy enemy as thyself." We are waiting with deep anxiety to be allowed to fulfill this creed through your action along the above lines and through other measures of famine relief.

In view particularly of the present strained state of Allied diplomatic negotiations over the peace settlement, it seems to me that Allied unity on this point of resuming mail service in Germany would be an encouraging and inspiring sign to both the Allied and former enemy people. Looking forward to hearing from you as soon as possible, and with my thanks for your consideration of the appeal, I am,

Sincerely yours,

ALEXANDER WILEY.

A UNITED NATIONS APPROACH TO THE CARTEL PROBLEM—ADDRESS BY GILBERT H. MONTAGUE

[Mr. AUSTIN asked and obtained leave to have printed in the RECORD an address on the subject A United Nations Approach to the Cartel Problem, delivered by Gilbert H. Montague, before the symposium on trusts and cartels, Harvard Law School Forum, Cambridge, Mass., on May 10, 1946, which appears in the Appendix.]

LABOR AND MANAGEMENT—RESOLUTIONS ADOPTED BY KIWANIS INTERNATIONAL

[Mr. SMITH asked and obtained leave to have printed in the RECORD resolutions on the subject of labor and management, adopted by the Convention of Kiwanis International, held at tlantic City, N. J., on June 11, 1946, which appear in the Appendix.]

REORGANIZATION OF CONGRESS—EDITORIAL COMMENT

[Mr. TAFT asked and obtained leave to have printed in the RECORD editorials on the subject of reorganizing the Congress, from the Dayton (Ohio) News of June 11, 1946, from the Canton (Ohio) Repository of June 12, 1946, and from the Cincinnati Times-Star of June 12, 1946, which appear in the Appendix.]

REORGANIZATION OF CONGRESS—EDITORIAL COMMENT

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD several editorials commenting on the reorganization of Congress, which appear in the Appendix.]

JOINT STATEMENT OF SCIENTISTS AND EDUCATORS ON NEED FOR A NATIONAL SCIENCE FOUNDATION

[Mr. KILGORE asked and obtained leave to have printed in the RECORD a joint statement of scientists and educators on the need for a National Science Foundation, which appears in the Appendix.]

EMPLOYMENT OF RETIRED OFFICERS BY THE VETERANS' ADMINISTRATION

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 5626) to authorize the Veterans' Administration to appoint and employ retired officers without affecting their retired status, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. GEORGE. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. GEORGE, Mr. WALSH, Mr. JOHNSON of Colorado, Mr. LA FOLLETTE, and Mr. TAFT conferees on the part of the Senate.

RETURN OF PUBLIC EMPLOYMENT OFFICES TO STATE OPERATION

The Senate resumed consideration of the bill (H. R. 4437) to provide for the return of public-employment offices to State operation, to amend the act of Congress approved June 6, 1933 (48 Stat. 113), and for other purposes.

The PRESIDENT pro tempore. The question is on the first amendment reported by the committee on page 1, line 6.

Mr. BARKLEY. Mr. President, it seems there should be a quorum present, and I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	Myers
Austin	Hawkes	O'Daniel
Ball	Hayden	O'Mahoney
Barkley	Hill	Overton
Bridges	Hoey	Reed
Brooks	Huffman	Revercomb
Buck	Johnson, Colo.	Robertson
Burch	Johnston, S. C.	Russell
Bushfield	Kilgore	Smith
Capehart	Knowland	Stanfill
Capper	La Follette	Stewart
Carville	Lucas	Swift
Chavez	McCarran	Taft
Donnell	McClellan	Thomas, Okla.
Downey	McKellar	Tunnell
Eastland	McMahon	Wagner
Ferguson	Magnuson	Walsh
Fulbright	Mead	Wherry
George	Millikin	White
Gerry	Mitchell	Wiley
Gossett	Moore	Willis
Green	Morse	Wilson
Guffey	Murdock	

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] is absent because of illness.

The Senator from Missouri [Mr. BRIGGS], the Senator from Utah [Mr. THOMAS], and the Senator from Montana [Mr. WHEELER] are absent by leave of the Senate.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Idaho [Mr. TAYLOR] are necessarily absent.

The Senator from Mississippi [Mr. BILBO], the Senator from Virginia [Mr. BYRD], the Senator from Arizona [Mr. MCFARLAND], the Senator from Florida [Mr. PEPPER], and the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS] are detained on public business.

The Senator from New Mexico [Mr. HATCH] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Louisiana [Mr. ELLENDER] is absent on official business, having been appointed to the committee on the part of the Senate to participate in the Philippine independence ceremonies.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from Massachusetts [Mr. Saltonstall] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Oregon [Mr. CORDON] is absent by leave of the Senate, being a member of a committee designated by the Senate to attend the atomic bombing at Bikini.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate on official business as a member of the Special Committee on Atomic Energy.

The Senator from Maine [Mr. BREWSTER] and the Senator from Nebraska [Mr. BUTLER] are absent on official business, being members of the commission appointed to attend the Philippine independence ceremonies.

The Senator from North Dakota [Mr. LANGER], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The PRESIDENT pro tempore. Seventy-one Senators having answered to their names, a quorum is present.

The question is on agreeing to the committee amendment on page 1, lines 6 and 7.

Mr. WHITE. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHITE. What is the amendment on which the vote is about to be taken?

The PRESIDENT pro tempore. The Clerk will state the amendment.

The CHIEF CLERK. On page 1, line 6, after the word "than", it is proposed to strike out "June 30, 1946" and insert "December 31, 1946."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The clerk will state the next committee amendment.

The next amendment was, on page 2, after line 2, to insert the following:

SEC. 102. The functions of the United States Employment Service transferred to the Social Security Board by section 201 (a) of Reorganization Plan No. 1 (53 Stat. 1424), promulgated pursuant to the Reorganization Act of 1939, are returned to the Department of Labor. All functions of the Secretary of Labor relating to the administration of the United States Employment Service transferred to the Federal Security Administration pursuant to section 203 of said reorganization plan are returned to the Secretary of Labor. All provisions of Reorganization Plan No. 1, promulgated pursuant to the Reorganization Act of 1939, inconsistent herewith are hereby repealed.

Mr. DONNELL. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. DONNELL. I submitted yesterday an amendment which I intend to propose, under which all of titles I and II of the bill would be stricken out, and the paragraph which appears in the amendment upon Senators' desks would be substituted. My parliamentary inquiry is this: If we proceed in the course we are now pursuing, with the committee amendments being acted upon first, will I then have the opportunity, after the committee amendments shall have been acted upon, to present my amendment in the nature of a substitute?

The PRESIDENT pro tempore. The Senator will have that opportunity.

Mr. SMITH. Before the amendment is acted upon I should like to say a word in this connection, because I find myself in a somewhat embarrassing situation. As a member of the Committee on Education and Labor I voted to report the bill to the Senate, but with the reservation that I might offer amendments on the floor. I desire to make it clear that in voting to report the bill I still reserved the right to present any matters which might come to my attention before final action was taken on the bill.

I immediately sent copies of the proposed measure to the Governor of my State. Gov. Walter E. Edge, and to Mr. Frank T. Judge, acting executive director of the Unemployment Compensation Commission of New Jersey, and asked the opinions of those gentlemen on the pending legislation as affecting the situation in my State of New Jersey. I received yesterday from Mr. Judge a telegram which I want to read to the Senate because it raises an important question so far as my State is concerned.

The telegram is as follows:

Understand H. R. 4437 order of business Senate this p. m.

This telegram was sent yesterday.

Proposed Senate version H. R. 4437 provides changes in Wagner-Peyser Act. Opinion of chief counsel, New Jersey Unemployment Compensation Commission, is: "Any changes in Wagner-Peyser Act affecting substantive rights or obligations of State of New Jersey under original arrangement would require new legislative action by New Jersey Legislature." Informed that 19 other unemployment compensation agencies take substantially the same position. Therefore, operation of employment service by State under proposed Senate revision H. R. 4437 would have to be postponed until State Legislature passed enabling legislation. This agency urges immediate enactment of appropriation bill H. R. 6739 followed by enactment of House version of H. R. 4437.

Mr. President, I read that telegram into the RECORD in connection with this discussion because it discloses an embarrassment in which I find myself respecting my own State, in supporting this legislation as it is now presented to the Senate.

Mr. BALL. Mr. President, will the Senator yield?

Mr. SMITH. I am glad to yield.

Mr. BALL. On the point the Senator has raised, he will recall that it was raised by Mr. Bane, secretary of the Council of State Governments, in the full committee and afterward the committee added a proviso to section 4 which permits the States to accept the provisions of this act. The proviso, which appears on page 7 of the bill, is as follows:

Provided, That until the expiration of 1 week after the close of the first session of the legislature of any State which begins after the date of enactment of this proviso, such State shall, whether or not it has complied with the foregoing provisions of this section and all of the provisions of the other sections of this act, be entitled to obtain the benefits of such appropriations if the Secretary finds that such State is complying with the requirements of this act to the extent permitted under the law of such Sate.

The proviso was inserted to take care of the situation which might occur in a few States where the old statute accepting the Wagner-Peyser Act might not apply to all the provisions of this rewrite of that act. I think it would cover them until 1 week after the close of their next legislative session.

Mr. SMITH. I may say to the distinguished Senator from Minnesota that the matter was brought to the attention of the counsel for our commission in New Jersey, and it was still the counsel's opinion that the legislation which was passed in New Jersey simply provided for turning over the unemployment service under the Wagner-Peyser Act as it existed prior to the present amendment, and that therefore new legislation would be required before we would be eligible to take advantage permanently of this legislation. It raises the question of whether New Jersey must be compelled to take this new act in carrying on its unemployment program. It is one of those questions that gives me a good deal of difficulty.

I thank the Senator from Minnesota for calling attenton to the proviso. Of course, I was familiar with it. But I still must reiterate that counsel for the commission in my State believes that it does not clear the question which was presented by the telegram I have read.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The question is on agreeing to the committee amendment on page 2, beginning in line 3.

Mr. TAFT. Mr. President, I desire to point out that this amendment is the one which rewrites the Wagner-Peyser Act.

Mr. BALL. Mr. President, will the Senator yield?

Mr. TAFT. Yes; I yield.

Mr. BALL. The pending amendment, I believe, is section 102 at the top of page 2.

The PRESIDING OFFICER. The Chair will state that the question is on the committee amendment on page 2, after line 2, to insert a new section 102.

Mr. TAFT. I thought the question was on the next amendment. My only comment on the pending amendment is that I have some doubt and reservation as to whether the USES ought to go back to the Labor Department. I have some doubt as to whether the unemployment compensation activity and the employment service at the Federal level should not be together somewhere. But I am not disposed to dispute the particular amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 2, after line 2.

The amendment was agreed to.

The next amendment was, on page 2, after line 15, to strike out:

The act of Congress approved on June 6, 1933, and entitled "An act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes" (48 Stat. 113–117), as amended, is hereby amended as follows:

SEC. 201. Section 2 is amended by deleting from the first sentence thereof the following clauses: ", without regard to the civil-service laws," and ", without regard to the Classification Act of 1923, as amended,".

SEC. 202. Section 3 (b) is amended by inserting after the word "Hawaii" the following: ", Puerto Rico."

SEC. 203. Section 5 is amended by deleting subsections (a) and (b) thereof and substituting therefor the following:

"(a) For the purpose of carrying out the provisions of this act there is hereby authorized to be appropriated such sums annually as the Congress may deem necessary.

"(b) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State which is in compliance with the provisions of section 4 of this act, and such rules, regulations, and standards of efficiency as may be prescribed under this act, such amounts as the Secretary determines to be necessary for the proper and efficient administration of the State system of public employment offices during the fiscal year for which payment is to be made. The Secretary's determination shall be based on (1) the population of the State and an estimate of the number of persons who will be served by the public employment office system in the State; (2) an estimate of the cost of proper and efficient administration of the State system of public employment offices; and (3) such other factors as the Secretary finds relevant."

SEC. 204. Section 6 is amended by deleting the present provisions thereof and substituting therefor the following:

"The Secretary shall not certify for payment under this section in any fiscal year a total amount in excess of the amount appropriated for such fiscal year."

SEC. 205. Section 7 is amended by deleting the present provision and substituting therefor the following:

"Out of the sums appropriated therefor, the Secretary of the Treasury shall, upon receiving a certification under subsection (b), pay, through the fiscal service of the Treasury Department and prior to audit or settlement by the General Accounting Office, to the State agency designated to cooperate with the Secretary under this act, the amount so certified."

And insert:

The act of Congress approved on June 6, 1933, and entitled "An act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes" (48 Stat. 113–117), as amended, is hereby amended to read as follows:

"That in order to promote the establishment and maintenance of a national system of public employment offices there is hereby created in the Department of Labor a bureau to be known as the United States Employment Service, at the head of which shall be a Director. The Director shall be appointed by the Secretary of Labor. The Secretary may delegate to the Director any authority vested in him under this act and may authorize the Director to further delegate any authority so delegated.

"SEC. 2. The Secretary of Labor is authorized to appoint and to fix the compensation of one or more Assistant Directors and such other officers, employees, and assistants, and to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere and for lawbooks, books of reference, and periodicals) as may be necessary to carry out the provisions of this act. In case of appointments for service in the veterans' employment service provided for in section 3 of this act, the Secretary shall appoint only veterans of wars of the United States.

"SEC. 3. (a) It shall be the province and duty of the Secretary through the bureau to promote and develop a national system of employment offices for men, women, and juniors who are legally qualified to engage

in gainful occupations; to maintain a veterans' service to be devoted to securing employment for veterans; to maintain a farm placement service; to promote, develop, and assure the maintenance of such other special-service programs as may be necessary to carry out the purposes of this act; to maintain a public employment service for the District of Columbia; to assist, in the manner hereinafter provided, in establishing and maintaining systems of public employment offices in the several States and the political subdivisions thereof in which there shall be located a veterans' employment service; and to assure that such employment service facilities and information as may be required for the proper and efficient administration of unemployment-compensation laws are provided to all agencies charged with the administration of unemployment-compensation laws. The Secretary of Labor and the Social Security Board shall facilitate proper cooperation and coordination between public employment service and unemployment-compensation programs. The Secretary shall also assist in coordinating the public employment offices throughout the country and in increasing their usefulness by developing and prescribing minimum standards of efficiency, assisting them in meeting problems peculiar to their localities, promoting uniformity in their administrative and statistical procedure, furnishing and publishing information as to opportunities for employment and other information of value in the operation of the system, and maintaining a system for clearing labor between the several States and facilitating the free movement of workers seeking employment and employers seeking workers.

"(b) Whenever in this act the word 'State' or 'States' is used it shall be understood to include Hawaii, Puerto Rico, and Alaska.

"SEC. 4. In order to obtain the benefits of appropriations available under section 5, a State shall, through its legislature, accept the provisions of this act and designate or authorize the creation of a single State agency vested with all powers necessary to cooperate with the United States Employment Service under this act: *Provided*, That until the expiration of 1 week after the close of the first session of the legislature of any State which begins after the date of enactment of this proviso, such State shall, whether or not it has complied with the foreign provisions of this section and all of the provisions of the other sections of this act, be entitled to obtain the benefits of such appropriations if the Secretary finds that such State is complying with the requirements of this act to the extent permitted under the law of such State.

"SEC. 5. (a) For the purpose of carrying out the provisions of this act there are hereby authorized to be appropriated such sums annually as the Congress may deem necessary.

"(b) The Secretary shall from time to time certify for payment to each State which is in compliance with the provisions of section 4 of this act, and such rules, regulations, and standards of efficiency as may be prescribed under this act, such amounts as the Secretary determines to be necessary for the proper and efficient administration of the State system of public employment offices during the fiscal year for which payment is to be made. The Secretary's determination shall be based on (1) the population of the State and an estimate of the number of persons who will be served by the public employment office system in the State; (2) an estimate of the cost of proper and efficient administration of the State system of public employment offices; and (3) such other factors as the Secretary finds relevant.

"(c) Whenever the State agency designated to cooperate with the United States Employment Service under this act is also the State agency charged with the administration of the State's unemployment compensation law for which grants are made under title III of the Social Security Act, as amended, such State agency may, if it so elects, submit to the Secretary and the Social Security Board a joint budget covering both the functions for which grants are made under this act and the functions for which grants are made under such title III. In such a case the Secretary shall certify to the Social Security Board the amounts to be paid to the State under this act. Upon such certification, the Social Security Board shall certify such amounts to the Secretary of the Treasury, in addition to the amount, if any, payable by said Board under the provisions of section 302 (a) of the Social Security Act, as amended.

"(d) In cases to which subsection (c) does not apply, certifications made by the Secretary under subsection (b) shall be made to the Secretary of the Treasury.

"(e) Whenever funds are paid to the same State agency under this act and under title III of the Social Security Act, as amended, the State agency may commingle such funds and account therefor by such accounting, statistical, sampling, or other methods as may be found by the Secretary and the Social Security Board, respectively, to afford reasonable assurance that the funds paid to the State agency under this act and the funds paid to the State agency under title III of the Social Security Act, as amended, are expended for the respective purposes of this act and such title III.

"SEC. 6. The Secretary shall not certify for payment under section 5 in any fiscal year, a total amount in excess of the amount appropriated for such fiscal year.

"SEC. 7. Out of the sums appropriated therefor, the Secretary of the Treasury shall, upon receiving a certification under section 5, pay, through the fiscal service of the Treasury Department and prior to audit or settlement by the General Accounting Office, to the State agency designated to cooperate with the United States Employment Service under this act, the amount so certified.

"SEC. 8. (a) The State agency designated to cooperate with the United States Employment Service under this act shall operate under such methods of administration relating to the establishment and maintenance of personnel standards on a merit basis, as are found by the Secretary to be necessary to carry out the purposes of this act, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods; and such State agency shall also replace, within a reasonable time, any moneys received under this act which, because of any action or contingency, have been lost or have been expended for purposes other than or in amounts in excess of those found necessary by the Secretary for the proper and efficient administration of the State system of public employment offices. In those States where a State board, department, or agency exists which is charged with the administration of State laws for vocational rehabilitation of physically handicapped persons, the agency designated to cooperate with the United States Employment Service under this act shall make provision for cooperation with such Board, department, or agency.

"(b) The agency designated to cooperate with the United States Employment Service in any State under this act may, at the election of such agency, submit to the Secretary detailed plans for carrying out the provisions of this act within such State. If such plans are in conformity with the provisions of this act and reasonably appropriate and adequate to carry out its purposes, they shall be approved by the Secretary and due notice of such approval shall be given to the State agency.

"SEC. 9. (a) Each State agency cooperating with the United States Employment Service under this act shall make such reports concerning its operations and expenditures as shall be prescribed by the Secretary and shall comply with such provisions as the Secretary may from time to time find necessary to carry out his obligations under this act. It shall be the duty of the Secretary to ascertain whether the system of public employment offices maintained in each State is conducted in accordance with the rules and regulations and the standards of efficiency prescribed by the Secretary in accordance with the provisions of this act and to make such studies and investigations as may be necessary in connection therewith. The Secretary may revoke any existing certificates or withhold any further certificate provided for in section 5, whenever he shall determine, as to any State, that the cooperating State agency has not properly expended the moneys paid to it or there has been a substantial failure of compliance by such State agency with the provisions of this act or the rules, regulations, or standards of efficiency prescribed thereunder. Before any such certificate shall be revoked or withheld in the case of any State, the Secretary shall give notice in writing to the State agency stating specifically wherein the State agency has not properly expended such moneys or has failed so to comply, and shall afford such State agency a reasonable opportunity for hearing.

"(b) The Secretary is authorized to expend in any State so much of the funds appropriated and made available under section 5 of this act as may be necessary to operate a State-wide system of public employment offices under the control of the Secretary if no State system of public employment offices exists in such State or if, and for as long as, the State is not eligible for funds in accordance with the provisions of this act. Except to the extent that a system of employment offices under the control of the Secretary is operated within a State either (1) pursuant to the specific request of the Governor of such State or (2) with funds specifically appropriated by the Congress for the operation of such system under the control of the Secretary, the Secretary shall not expend more than $1,000,000 in any fiscal year pursuant to this subsection or operate a system of employment offices in any State pursuant to this subsection for more than 3 months in any fiscal year.

SEC. 10. In carrying out the provisions of this act, no person shall be referred to a position (a) without due notice to the applicant, if the position offered is vacant due directly to a strike, lock-out, or other labor dispute; (b) if the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality, except upon request of the applicant; or (c) if as determined by the State agency the position is one which does not utilize the person's highest skill, until and unless a reasonable effort has been made to place him in a position that does utilize his highest skill.

"SEC. 11. The Secretary shall establish a Federal Advisory Council composed of men and women representing employers and employees in equal numbers and the public for the purpose of formulating policies and discussing problems relating to employment and insuring impartiality, neutrality, and freedom from political influence in the solution of such problems. Members of such council shall be selected from time to time in such manner as the Secretary shall prescribe and shall serve at $25 per diem, and when attending meetings of the council they shall be allowed necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, within the limitations prescribed by

law for civilian employees in the executive branch of the Government. The council shall have access to all files and records of the United States Employment Service. The Secretary shall also require the organization of similar State advisory councils, which shall also be composed of men and women representing employers and employees in equal numbers and the public.

"SEC. 12. The Secretary of Labor is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this act.

"SEC. 13. The Postmaster General is hereby authorized and directed to extend to all State systems of public employment offices which receive funds appropriated under this act penalty mailing privileges for the transmission of official mail matter in connection with the administration of such State systems of public employment offices in the same manner as such privileges are extended to any agency, department, or independent establishment of the Federal Government. Reimbursement to the general fund of the Treasury for such privileges shall be made in such amounts from funds appropriated to the Department of Labor for that purpose, and in such manner, as may be agreed upon by the Secretary of Labor and the Postmaster General.

"SEC. 14. No provision of this act shall be construed to amend or in any way modify the provisions of title IV of the Servicemen's Readjustment Act of 1944."

Mr. RUSSELL. Mr. President, I desire to offer an amendment to the committee amendment. I move to strike out section 11, on page 13, beginning with line 7, and extending through line 25 on page 13.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia to the committee amendment.

Mr. RUSSELL. Mr. President, I wish to make a brief statement in connection with the amendment. As appears from the committee amendment, this section proposes the establishment of an Advisory Council. There are several vices in the committee amendment. In the first place, no limitation is placed on the number of persons who are to serve on the Advisory Council. It could be composed of 10, 100, 1,000, 10,000, or any other number the Secretary of Labor might see fit to appoint. The members would all receive $25 for each day of attendance at sessions, in addition to all their travel and subsistence expenses.

There is also a requirement in the committee amendment that the States shall all have similar advisory councils, with no limitation whatever on the number of persons to be appointed in the States, or on the amount to be paid members of the advisory councils within the States. If the compensation were fixed at $25 a day, which is the amount proposed to be paid to members of the Advisory Council in the Federal Government, the State advisory council could be quite a powerful political body in the hands of the governor of a State who wished to use it for political purposes.

The purposes of the Council and its powers are rather nebulous. I do not believe it is necessary to incur this additional expense throughout the Nation all the way down to the State levels. This section in the committee amendment is rather awkwardly worded. If the Secretary wishes to obtain advisers he can do so in the ordinary way. He can employ persons in the Department to advise him. There is nothing in the present law which would prevent him from appointing an advisory committee. But I do not believe that we should leave the door wide open to abuses all the way down to the State level in each of the 48 States in connection with a matter which might involve the expenditure of a large sum of money without accomplishing any useful purpose.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MORSE. Does the Senator from Georgia know whether I am correctly informed, that the only part of section 11, on page 13, not now in the Wagner-Peyser Act is the provision with reference to the per diem fee? As I understand, all the other provisions of section 11 are already in the law. What is attempted by this amendment is to provide for payment of the fee which is uniformly paid to members of advisory councils in other branches of the Government.

Mr. RUSSELL. I understand that in the original Wagner-Peyser Act there is some language to provide for an advisory council; but to my mind there is considerable difference between the language in the present law and the language of the committee amendment.

It is my understanding that the present law provides that members of the Advisory Council shall serve without compensation. The provision in the committee amendment would allow members of the Advisory Council compensation of $25 a day. The committee amendment provides compensation of $25 a day for each person the Secretary of Labor might see fit to appoint, without limitation on the number, to advise with him on the formulation of policy. I think it is much better for the Secretary of Labor to formulate policies with the aid of experts in his Department, particularly when we are providing for a similar council in each of the States. It is a rather ridiculous situation to have a specific requirement that each of the 48 States shall have an advisory council, the expenses of which are to be paid 100 percent out of the Federal Treasury, in a bill which gives the Secretary of Labor the power to formulate policies which will bind the States. There is no machinery for bringing the advice of the various State councils to the Secretary of Labor; and anything they might do in an advisory way could be immediately overruled and annulled when the Secretary of Labor, under the terms of the bill, promulgated a regulation.

Mr. MORSE. Would not the objection of the Senator from Georgia—and I think it has great merit—be met if an amendment were inserted to fix the maximum amount which might be paid to a member of an advisory council during any period of time, such as 1 year? Possibly also we should fix the number of people that can be appointed to an advisory council in any State during a period of time such as a year. If we are to obtain the most competent experts to serve, I think it would be quite unfair to ask a man to serve on the advisory council and not pay him a reasonable amount for his time and expenses. As I understand, the figure used in the committee amendment is the amount uniformly paid for such services in other branches of the Government. I think it is only fair that members of the advisory council should receive compensation. However, in order to avoid the potential evil of which the Senator from Georgia speaks, could we not establish a maximum limit on the total amount that could be paid for any particular period of time, such as a year?

Mr. RUSSELL. That would considerably improve the provision in the committee amendment, but it would not relieve my fundamental objection.

In the first place, we are attempting to insert language in the bill which provides for 100-percent Federal financing of this activity. The original theory provided for matching on a fifty-fifty basis. The State advisory committees which would be required to be appointed under the provisions of the committee amendment would be fifth wheels. They would be absolutely useless when we rewrite the remainder of the law and give the Federal Government power—and I think properly so, when the operation is financed altogether out of Federal funds—to prescribe the methods of operation and lay down the rules and regulations for the conduct of the program within the States.

I am opposed to this provision for other reasons. The original Wagner-Peyser Act was enacted back in 1933. I happened to be a Member of this body at that time. We were enacting legislation which contained some rather new concepts. In 1933 we could not pass a bill without providing for a "brain trust." Every bill which was passed establishing a new activity or creating a new agency contained a provision for a little private brain trust within the department to advise the head of the department as to how he should administer the law. I think we have rather gotten away from the brain-trust days. If the Secretary of Labor wishes to have advisers on these questions, he should employ them in his Department. There is nothing in the present law which would prevent him from employing experts within his normal budget at $25 a day.

I do not like this nebulous language. It is coupled with the provision on page 14, which gives the Secretary of Labor authority to make any rules and regulations which may be necessary for carrying out the provisions of the act. That is probably necessary language in the bill. I have no objection to it as a general principle; but when it is proposed to establish an advisory council to advise with him, under the rather nebulous provisions set forth in the bill, I say that it is altogether unnecessary and would entail an expense which could well be dispensed with.

Mr. MORSE. Mr. President, will the Senator yield at that point?

Mr. RUSSELL. I yield.

Mr. MORSE. I understand that the origin of that provision is the Wagner-Peyser Act, and so it is desirable that section 11 should remain in the bill.

The Senator from Oregon thinks section 11 should remain in the bill, and to that extent he disagrees with the Senator from Georgia.

But if we are to have it, we should fix a maximum number of days which can be served with pay during the year. I should like to suggest to those who have charge of the bill that as a minimum the words "not in excess of 15 days a year" be inserted in the bill.

Mr. RUSSELL. Mr. President, that would not cure the difficulty in regard to the number who could be appointed. Ten thousand could be appointed in 15 days, and they could be kept coming in relays. Under the changed concept of this service to the American people, whereby it would become a purely federally financed function to be operated by the States, rather than to be operated on a 50–50 matching basis, as provided by the original Wagner-Peyser Act, I submit there is absolutely no necessity for section 11. It neither adds to nor detracts from anything in the other sections of the bill, and it can only bring about increased expense and confusion.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. TUNNELL. While in the main this was a part of the original Wagner-Peyser Act, the whole plan will work without having any of section 11 in the bill, so far as we can see. While we do not have authority to say that the committee agrees, I do not think there will be any serious objection on the part of the committee if this portion is stricken out.

Mr. BALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BALL. I agree with the Senator from Delaware. I think we picked up the section from the original Wagner-Peyser Act, and I am very much inclined to agree with the Senator from Georgia that we are overdoing the question of advisory committees in all the departments. I cannot see much use in the provision.

Mr. RUSSELL. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia to the committee amendment.

Mr. MEAD. Mr. President, I have an amendment which I think should be considered before the amendment of the Senator from Georgia is acted upon.

The PRESIDING OFFICER. No such amendment can be considered or acted upon while the amendment of the Senator from Georgia is pending.

The question is on agreeing to the amendment of the Senator from Georgia to the committee amendment.

The amendment to the amendment was agreed to.

Mr. DONNELL. Mr. President, on yesterday I called attention to certain language on page 13 of the bill, namely, lines 3 to 6. It refers to the referral to positions, and in substance it prescribes that in carrying out the provisions of this measure no person shall be referred to a position without certain prerequisites; and then, in subsection (c), which is the particular portion on page 13 to which I refer, the following provision is found:

> (c) If as determined by the State agency the position is one which does not utilize the person's highest skill, until and unless a reasonable effort has been made to place him in a position that does utilize his highest skill.

The point I made yesterday was that there is, to say the least, an ambiguity as to whose function it will be under this language to determine whether a reasonable effort has been made to place an applicant in a position that does utilize his highest skill. In the course of the colloquy, as I recall, the Senator from Minnesota indicated that it had been his understanding that by the insertion in line 3 of the words "as determined by the State agency" it was meant not only to vest the State agency with the power of determination as to what position utilizes the person's highest skill but also to vest in the State agency the power of determination as to whether a reasonable effort had been made to place the individual in a position which does utilize his highest skill.

Mr. BALL. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. BALL. I was about to try to obtain recognition by the Chair in order to suggest an amendment in line 5, on page 13, after the word "unless", to insert "such agency determines that."

Mr. DONNELL. Mr. President, that will meet with my entire approval. The words which I was going to suggest, and which I did suggest yesterday, were "the State agency determines that."

Upon reconsideration, Mr. President, I think I prefer the language I suggested yesterday, because the word "such" might possibly be subject to the interpretation of meaning the Department of Labor. Therefore, I suggest to the Senator from Minnesota and to the chairman of the subcommittee that following the word "unless," there be inserted the words "the State agency determines that."

Mr. BALL. Mr. President, I see no objection. I think the word "such" would clearly mean the State agency. But if the Senator from Missouri is worried about it, let us make it read "unless the State agency determines that."

Mr. DONNELL. Yes.

Mr. BALL. Mr. President, I offer that amendment.

Mr. DONNELL. It may well be that the Senator from Minnesota is correct in his interpretation, but I think the language I have suggested would certainly remove any ambiguity.

Mr. BALL. I adopt the language and offer it as an amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota to the committee amendment.

The amendment to the amendment was agreed to.

Mr. SMITH. Mr. President, I offer the following amendment: On page 12, strike out subsection (b) of section 9.

I offer this amendment after conferring with my constituents in New Jersey with regard to the entire set-up. They call to my attention that if for any reason the Secretary of Labor should not approve of the program we in New Jersey have been working with very successfully, he could very well make New Jersey ineligible for funds, and then the Federal Government could take over our whole program. We recognize that that might not happen, but nevertheless the power to do so would exist under the bill, and therefore we urge that subsection (b) be eliminated.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. TAFT. I wonder whether the Senator will be willing to limit his amendment to such an extent that the first six lines of the subsection—in other words, down through the word "State", in line 9—would remain. If the amendment were limited to that extent, subsection (b) as thus amended would then read as follows:

> (b) The Secretary is authorized to expend in any State so much of the funds appropriated and made available under section 5 of this act as may be necessary to operate a State-wide system of public employment offices under the control of the Secretary if no State system of public employment offices exists in such State.

That is substantially the provision of the present Wagner-Peyser Act.

Mr. SMITH. I am very glad to accept that modification, because I had in mind, of course, a State like my own State of New Jersey, where there are provisions of this sort. We do not wish to have them removed.

Mr. TAFT. If the Senator from New Jersey will modify his amendment accordingly, his amendment then will provide that in subsection (b) of section 9, on page 12, beginning with the words "or if", in line 9, to strike out from that point down through line 20.

Mr. SMITH. I am very glad to modify the amendment in line with that suggestion.

The PRESIDING OFFICER. The Senator from New Jersey will state the amendment as he wishes to have it modified.

Mr. SMITH. My modified amendment is as follows: On page 12, in subsection (b) of section 9, strike out, beginning with the words "or if", in line 9, and all the following words through the end of line 20, which ends with the words "in any fiscal year."

The PRESIDING OFFICER. The clerk will state the portion of the committee amendment which it is proposed to strike out.

The CHIEF CLERK. On page 12, in line 9, after the words "or if", it is proposed to strike out the following: "and for as long as, the State is not eligible for funds in accordance with the provisions of this act. Except to the extent that a system of employment offices under the control of the Secretary is operated within a State either (1) pursuant to the specific request of the Governor of such State or (2) with funds specifically appropriated by the Congress for the operation of such system under the control of the Secretary, the Secretary shall not expend

more than $1,000,000 in any fiscal year pursuant to this subsection or operate a system of employment offices in any State pursuant to this subsection for more than 3 months in any fiscal year."

Mr. TUNNELL, Mr. DONNELL, and Mr. MORSE addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. TUNNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	Myers
Austin	Hawkes	O'Daniel
Ball	Hayden	O'Mahoney
Barkley	Hill	Overton
Bridges	Hoey	Reed
Brooks	Huffman	Revercomb
Buck	Johnson, Colo.	Robertson
Burch	Johnston, S. C.	Russell
Bushfield	Kilgore	Smith
Capehart	Knowland	Stanfill
Capper	La Follette	Stewart
Carville	Lucas	Swift
Chavez	McCarran	Taft
Donnell	McClellan	Thomas, Okla.
Downey	McKellar	Tunnell
Eastland	McMahon	Wagner
Ferguson	Magnuson	Walsh
Fulbright	Mead	Wherry
George	Millikin	White
Gerry	Mitchell	Wiley
Gossett	Moore	Willis
Green	Morse	Wilson
Guffey	Murdock	

The PRESIDING OFFICER. Seventy-one Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment of the Senator from New Jersey [Mr. SMITH] to the committee amendment on page 12.

Mr. SMITH. Mr. President, I have conferred further with the distinguished Senator from Minnesota [Mr. BALL] and the distinguished Senator from Ohio [Mr. TAFT], and together we have checked up on the language of the Wagner-Peyser Act. In view of the conversation which we have had, I modify my amendment to strike by including all of paragraph (b) of section 9.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. The clerk will now state the language which it is proposed to strike out.

The CHIEF CLERK. On page 12, in line 4, it is proposed to strike out the following:

(b) The Secretary is authorized to expend in any State so much of the funds appropriated and made available under section 5 of this act as may be necessary to operate a State-wide system of public employment offices under the control of the Secretary if no State system of public employment offices exists in such State or if, and for as long as, the State is not eligible for funds in accordance with the provisions of this act. Except to the extent that a system of employment offices under the control of the Secretary is operated within a State either (1) pursuant to the specific request of the Governor of such State or (2) with funds specifically appropriated by the Congress for the operation of such system under the control of the Secretary, the Secretary shall not expend more than $1,000,000 in any fiscal year pursuant to this subsection or operate a system of employment offices in any State pursuant to this subsection for more than 3 months in any fiscal year.

Mr. TUNNELL. Mr. President, I certainly object to the amendment. The language which it is proposed to strike out is of such nature as to take care of two classes of persons during the interim period. The first class is employees in the particular State concerned. If the language is deleted there will remain no organization for the unemployed. Therefore, the members of the staff will not be employed during a period of time. That situtation is unquestionably the first which is aimed at by the motion. In other words, it is designed completely to demoralize the force in any particular State. Allow me to read a part of the language which it is proposed to strike out:

(b) The Secretary is authorized to expend in any State so much of the funds appropriated and made available under section 5 of this act as may be necessary to operate a State-wide system of public employment offices under the control of the Secretary if no State system of public employment offices exists in such State.

That is the first part of the language which it is proposed to strike out in order to take away from the Secretary the right to use funds in maintaining an employment system. I do not quite understand the purpose of striking out that provision; but I fear the result which would ensue.

But the proposal of the Senator from New Jersey goes further than that. It would mean that in some States there would be no protection for the unemployed at all, the purpose being to prevent any temporary arrangement by which employment facilities could be furnished, "if, and for as long as, the State is not eligible for funds in accordance with the provisions of this act." The amendment proposed by the Senator from New Jersey would give the State authority the right to prevent the unemployed from having this assistance, even to the extent of preventing the Federal Government from helping the unemployed in the State, for the amendment would strike out the provision:

Except to the extent that a system of unemployment offices under the control of the Secretary is operated within a State either (1) pursuant to a specific request of the governor of such State or (2) with funds specifically appropriated by the Congress for the operation of such system under the control of the Secretary, the Secretary shall not expend more than $1,000,000 in any fiscal year pursuant to this subsectiton or operate a system of employment offices in any State pursuant to this section for more than 3 months in any fiscal year.

If that provision is stricken out the Secretary of Labor will not be permitted to bridge over the period of 3 months.

Under the bill as reported he is limited to 3 months, and the amount he may expend is limited to the entire United States to $1,000,000, according to my interpretation of the bill. I understand from statements made on the floor yesterday that $1,000,000, which is the maximum amount the Secretary could spend, would not carry on the office in the State of New York for 3 months. In other words, the whole Nation will have for the purpose of bridging over the temporary period only sufficient funds to carry on perhaps for a month, and I do not know whether it could be done even for a month, but, in any event, a very short time.

What could be the object of saying that the Secretary shall not have this power, unless there be a lingering fear of helping the unemployed in those States where the Governor and the State authorities refuse to comply with the Federal law. Not only is it proposed that such States shall have no assistance, but the organization in the States is to be demoralized until such time as the State shall put itself within the provisions of the law.

I hope that the amendment will not be agreed to.

Mr. MEAD. Mr. President, it is my opinion that the amendment offered by the Senator from New Jersey is very important and that it strikes at the very heart and center of the pending legislation. It certainly will impair the standards, and, as the able Senator from Delaware has stated, in some States it will result in complete and widespread demoralization.

Under the present Wagner-Peyser Act the Secretary has authority, as has been stated many times on the floor, to issue rules and regulations and to prescribe standards of efficiency. The law imposes on the Secretary the duty of ascertaining whether the public employment offices maintained in each State are conducted in accordance with such rules, regulations, and standards of efficiency as are prescribed by the Director of the United States Employment Service. For the failure of any State to comply therewith the Secretary of Labor may withhold further grants to the State.

As the very able Senator from Delaware has pointed out, the effect of the pending proposal would be to close down public employment offices in the States. This would mean that there would be no method by which servicemen could be paid readjustment allowances or civilians their unemployment compensation, since the respective statutes under which these allowances are paid require that they be paid through public employment offices. So we must have public employment offices.

Mr. President, as a practical matter, the Secretary of Labor has no method by which he can require compliance with the rules and regulations which he is authorized to promulgate under the Wagner-Peyser Act. He could only close down the employment service in the State, an action which he probably would not resort to, in the face of the natural repercussions which would result therefrom. I think he would hesitate and probably refrain even in the most severe circumstances from closing down public employment agencies.

It is for this reason, because they know full well that there is no practical method of requiring compliance with such regulations or even assuring that in any State there will be maintained an effective employment service, that the State representatives have so vigorously opposed this bill, for this bill, for the first time, while precluding Federal domination and continued Federal operation,

nevertheless furnishes some method of assuring continued effective employment service programs in every State.

Mr. President, aside from the fact that the Federal Government is paying 100 percent of the cost, we have a very important stake in this problem. It seems that no one objects to the Secretary's authority to withhold funds, but when it comes to the proposition of assuring that the Federal Government's obligation under the GI bill of rights to maintain an effective employment and job counseling service for veterans is carried out there seems to be a feeling that no assurances are required. Section 9 (b) is the only real basis on which we can have reasonable assurance that there will be an effective and uninterrupted system of public employment offices in every State. The 3 months and $1,000,000 limitations in this bill preclude indefinite Federal operation but permit the continued operation of an employment service until appropriate State legislative action is taken where needed or until necessary congressional action can be taken.

Mr. President, on this particular amendment and on this particular point I have a letter from the assistant director of the national legislative service of the Veterans of Foreign Wars. It is one of a number of letters I have received bearing on this portion of the bill. This letter goes on to state:

KANSAS CITY, MO., *June 13, 1946.*

Senator JAMES M. MEAD,
United States Senate, Senate Office Building, Washington, D. C.

MY DEAR SENATOR MEAD: In the very near future, the Labor Department appropriation bill will be presented for consideration of your subcommittee. It is in regard to the House-inserted provisions relating to the return of public employment offices to the States on October 1, 1946, that I write this letter in behalf of the great veterans' organization I represent. In my testimony before the Senate Committee on Education and Labor on March 19, 1946, in regard to the return of public employment offices to the States, I rightfully insisted that the Veterans of Foreign Wars of the United States was not concerned with the ultimate control of these offices by either State or Federal Government, but that we are very much concerned with the continuation of a high standard of services to millions of unemployed veterans. We were heartened by the Senate committee's action in favorably reporting the bill, H. R. 4437, which contained a provision designed to insure certain standards of operation, which the Veterans of Foreign Wars of the United States recommended, and which we believe is essential in order that the veterans might continue to receive effective job placment and counseling.

Needless to say, it was somewhat disheartening to note that the House inserted provisions not only nullifying our efforts, but threatening to cause a premature return of the public employment offices without such minimum standards. An unfortunate disruption and diminution of services during the time when the United States Employment Service is carrying a peak load of veteran unemployment is inescapable.

In behalf of 1,700,000 veterans, members of the Veterans of Foreign Wars of the United States, and in the interests of millions of unemployed veterans, I respectfully commend to you the suggestion that the House-inserted proviso be stricken by your committee and that the question be left to separate legislation, such as H. R. 4437, reported favorably by the Senate Committee on Education and Labor, and now on the Senate Calendar.

Respectfully yours,
JOHN C. WILLIAMSON,
Assistant Director, National Legislative Service.

As I said in the beginning, Mr. President, this is a very important matter. It strikes at the very heart and center of the bill, and the amendment should be defeated.

Mr. BALL. Mr. President, I wish briefly to tell the Senate the origin of the compromise we are considering.

The administration bill introduced in both the House and the Senate provided for a wide open recapture power on the part of the Secretary of Labor. In other words, he would have been authorized under those bills, whenever he withheld funds from a State, to go into the State and operate the State system with Federal funds. The State administrators were very much afraid that such power would be used to federalize the employment service. Yet there is a case to be made for making sure that employment offices will continue to be available in any State, regardless of whether the Secretary may find it necessary to withhold certification of funds or not. The Federal Government especially has a duty in that respect now, because we have taken on a special obligation to try to help some 12,000,000 veterans to find jobs.

Therefore, in order to make sure that this particular subsection could not be used as a vehicle to federalize the system, we inserted the limitations which the Senator from Delaware recited. In other words, under this subsection the Secretary can operate a State system only for 3 months, or expend a total of $1,000,000 in a fiscal year in the whole United States, unless he meets one of two requirements. First, he must have the request of the governor of the State in writing to operate the system. It has happened in one State—I believe it was Arizona—that the State simply did not want to operate employment offices, and the Federal Government had to step in, and it did so under language inserted in an appropriation act, through an amendment offered by the Senator from Arizona [Mr. HAYDEN]. It is possible such situation might arise again.

The second condition the Secretary must meet if he is to continue to operate a State system beyond 3 months is that he must get the approval, presumably, of both the Appropriations Committees and both Houses, and I do not think he can do that unless there is a flagrant failure on the part of the State to carry out the purposes of the act.

Mr. HAYDEN. Mr. President, will the Senator from Minnesota yield?

Mr. BALL. I yield.

Mr HAYDEN. The situation in Arizona was that without action by the State legislature we could not have had a State employment service. So the Governor very properly asked the Federal Government to take care of the situation in the interim, which was done by amendment on an appropriation bill. There was no other way out of it.

As I look at this provision the Senator favors, it is a guarantee of operation in the interim between the time when the State decides that the transfer shall take place, and actual operation by the State. I think it is perfectly safe. I cannot see why there should be any objection to the provision at all. I heartily favor retaining in the bill the amendment as written.

Mr. BALL. I thank the Senator. I agree with him. Under the amendment I think there is absolutely no danger of what the States fear, namely, the federalization of the system. They are afraid it may give the Secretary a little too much bargaining power if he gets into a dispute with a State over a particular rule or regulation, but I think the Secretary has probably been before the Committees on Appropriations a sufficient number of times to make him know that he must have a very good case if he expects to make it stick in the committees.

Mr. TUNNELL. Mr. President, will the Senator from Minnesota yield?

Mr. BALL. I yield.

Mr. TUNNELL. Does not the Senator believe that under the bill as it would be amended by the suggestion of the Senator from New Jersey the Secretary could, by raising objections to the situation in any particular State, perhaps put the State in such a position that it could not have any unemployment assistance?

Mr. BALL. The Senator from New Jersey modified his amendment, and is now moving to strike out the whole subsection. As it originally stood, with the suggestion that the first sentence be left in the bill, it would have been wide open to a recapture.

Mr. TUNNELL. I do not think the Senate understands my point. If the amendment as it would be after striking out all of subsection (b) were agreed to, suppose a difficulty arose, as the Senator suggests, between the Secretary of Labor and the authorities in any particular State. The Secretary could say, "Well, you have not complied"——

Mr. BALL. And he could withhold funds.

Mr. TUNNELL. Yes; he could shut off funds on any pretense whatever.

Mr. BALL. Oh, yes; he could do that.

Mr. TUNNELL. So that under the proposed amendment he would really have power to shut off assistance in any State.

Mr. MORSE. Mr. President, I wish to supplement the statement made by the Senator from Delaware [Mr. TUNNELL], the Senator from New York [Mr. MEAD], and the Senator from Minnesota [Mr. BALL]. I think the Senator from Minnesota has stated the case very clearly as to what would happen if the amendment submitted by the Senator from New Jersey should be agreed to.

I think we need to keep in mind the statement in the report of the Committee on Education and Labor on the bill, that in essence it is a reenactment of the Wagner-Peyser Act, with certain amendments. Although it looks as though we are presenting very long amendments, what we really have done is to present to the Senate again the

Wagner-Peyser Act almost in toto, with certain additions to it.

I think we need also to keep in mind that under the Wagner-Peyser Act, which has been in operation many years, the Employment Service has not been a State service alone, but it has been a combined Federal-State service. It was a combined Federal-State service when the matching was 50–50, 50 percent of Federal funds and 50 percent of State funds, in round numbers, at least.

Now we are considering a proposal under which the money appropriated is 100 percent Federal funds, and I think we have to keep in mind, as a Congress, that if we are appropriating on the basis of 100 percent the money of the Federal taxpayers, it is of great importance that we surround with reasonable safeguards the expenditure of the money by the States. I submit that the bill reported by the committee does exactly that, and that section 9 (b) is of great importance to an efficient administration of the bill. What will happen if a State does not meet the standards which I insist it is our obligation to see to it are set up in the bill? The people who will suffer under the amendment submitted by the Senator from New Jersey are the unemployed individuals, many of whom are veterans, because, as the Senator from Minnesota has pointed out, we now have taken unto ourselves—and rightly so—an additional employment service obligation in relation to about 12,000,000 veterans. Therefore, I think it very important that in carrying out our obligations to the veterans, when a State does not meet the standards set up in the bill, at least, there should be some period of time for a continuation of the employment service, under Federal auspices, if necessary, until the difficulty within the State can be adjusted. I think every Member of the Senate knows that when that particular problem arises in any State it will be ironed out within 90 days, because the agitation for its settlement will certainly become very strong within the 90-day period.

The proposal of the Senator from New Jersey would place a tremendous burden upon the Secretary of Labor. It would put him on the spot, so to speak. He would have to assume the responsibility either of discontinuing completely any employment service whatsoever, or going along with a State that refuses to set up such decent standards and criteria as ought to be maintained if it is to have the use of and the expenditure of the Federal funds provided for in the bill. I think it is not fair to the Secretary of Labor to put him in such a position. We have plenty of checks on him, as the Senator from Minnesota has pointed out, through the Appropriations Committee. He is well aware that if he exercises any of the arbitrary tendencies which I understand the proponents of this amendment fear it might be possible for him to exercise, we have checks on him and they will be used.

But what we should not overlook, as we consider this amendment, Mr. President, are the individuals, the people who are going to benefit from an employment service. I say it is our clear duty, when a State does not meet the prescribed standards, at least to see to it that an employment service is continued, by the Federal Government, for at least 90 days, which is what the bill now provides for, or for such period as may be necessary, in accordance, however, with the specific provisions of this section itself.

I think the necessary checks and guaranties are there. I think it is a mistake to call this section, as it has been called in this debate, the so-called recapture section. What we ought to call it is "a guaranty-of-operations section." That is, a guaranty to individuals, including the veterans concerned, that until any difficulties that may arise over the criteria and the standards applied by the Secretary of Labor can be worked out, we guarantee to the individual that for a period of at least 90 days there will be an employment service. I say that we cannot justify doing less.

Therefore I submit that the amendment proposed by the Senator from New Jersey goes to the very heart of this bill, and, if the amendment should be adopted, I take the position that in specific cases great injustice would be done to millions of individuals who ought to have the guaranty of the continuation of the service until the difficulties between the States and the Federal Government over standards in specific cases can be worked out.

Mr. SMITH. Mr. President, in view of what the Senator from Oregon has just said I desire to say a word about what my amendment does. The Senator from Oregon is always persuasive with his fine presentations. There is no difference between us as to what we want to accomplish. I am just as eager as are those opposed to my amendment to have an effective employment service set up for our people and to make sure that there shall be no failure of such service. It is merely a question of whether we are going to accomplish that result as effectively if the Federal hand is in the State situation, rather than by allowing the States to handle their respective situations by putting in the right kind of employment systems.

My State of New Jersey has had its unemployment system for years, and it strikes me as unnecessary to have the system arbitrarily changed simply because Federal agencies think something else might be better.

Mr. President, we must put this service back in the States, because we have to decentralize this job. We cannot handle it effectively from Washington, and so far as possible I want the States to do the job. That is the reason I have offered my amendment. I do not want the possibility to exist that the work which the States should definitely do may be taken back by the Federal Government. I think it ought to be made as simple as possible for the States to share at least in putting this job over. I think it should be their job to take care of their people. I think we cannot better take care of our veterans and others who may be unemployed throughout the country than by having the States take care of them. In other words, I believe the States should assume this responsibility, that the Federal Government should help them but should not interfere with the administration.

Mr. TAFT. Mr. President, most of those who are in favor of this section really believe in federalization of the unemployment compensation service and the employment offices throughout the country. For that purpose, this is a perfectly logical section. But I suppose we will face that issue. I imagine the Congress will face squarely, within another year probably, the question whether we wish to federalize the whole system. When that times comes the question can be determined in accordance with the wishes of the majority of the Congress. But what we are doing here is setting up a State-aid system. We have many systems of Federal aid to the States. I do not know that any of them provide as an ultimate sanction that the Federal Government shall take over and operate the particular activity which we are interested in financing. The reason for it is perfectly clear. If the ultimate sanction against the failure of the State to perform is that the Federal Government will step in and do the job itself, then there is very little incentive for the States to continue to operate. There is very little reason for a State system at all if the sanction for failure of the State to operate is Federal operation.

The whole point of the State system is that we want to encourage the States to engage in a certain activity, but if the States refuse to engage in the activity, that is the concern of the people of the State, and unless we admit that it is their concern and their choice whether they will take Federal money or not for this kind of an operation, we might as well abolish the State system. The purpose is to establish the initiative and the operation and the experimentation and the individuality of State operation in these fields. Now, if we want to federalize the job, that is another question.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HAYDEN. The Senator stated that this proposal is backed by those who believe in Federal control, and he referred to various systems of Federal aid to States. Can the Senator name one activity that was taken over from the States during the war in connection with which the Government is authorized to return and take over again in the event of the failure of the States to act?

Mr. TAFT. No; there are no other activities in which, so far as I know, the Federal Government is authorized to step in on the failure of the State to act, and operate it as a Federal agency. The provision of the Wagner-Peyser Act to take over if the State failed to operate a State unemployment office expired in 1938, and since that time there has been no power in the Federal Government to take over State offices.

Mr. HAYDEN. Mr. President, will the Senator again yield?

Mr. TAFT. I yield.

Mr. HAYDEN. The Senator totally misinterprets my point of view in this

matter. I am not concerned about having this agency operated by the Federal Government at this time. That is not my concern at all. All I am concerned with is an orderly transfer from the Federal Government back to the States, and that, I presume, is also what the Senator wants to have accomplished.

Mr. TAFT. But this particular section has nothing to do with the orderly transfer back to the States. This is a provision that, after the function is transferred back to the States, the Federal Government may reclaim it.

Mr. HAYDEN. No. The Senator totally misinterprets the section, as I read it. There is a provision now that this service shall go back to the States, but upon request of the governor, or some condition of that kind, the service can be carried on under Federal control pending that time. As the Senator from Oregon [Mr. MORSE] has very properly said, it is a guaranty of operations. It is a guaranty that the time will not come when the man out of a job in a State will have no place to go to get help.

Mr. TAFT. Mr. President, referring to the question of return, this is a permanent provision of law, a provision for the next 50 years. If the State does not conform to every detail and to every order of the administration, which may extend to the employment of Mr. X, how much he shall be paid, and every other detail of operation, the Federal Government is authorized to step in and operate the public employment offices. If things are not done in just the way Federal officials want them done, the Federal Government is authorized to operate the employment offices. A Secretary who is inclined to favor Federal operation will naturally use that power more freely than one who is not.

So far as the transition period is concerned, this has nothing whatever to do with the transition period. It is purely a permanent provision of law. My suggestion is this: So long as there exists a sanction with respect to the State-operated system, the system has no life of its own. It is in effect a Federal system, a system which may be made expressly a Federal system on the slightest excuse. While it is provided that the Federal Government shall not expend more than $1,000,000 or operate for more than 3 months in any fiscal year for this purpose, I take it that that provision would be inoperative if the governor said that he would like to have the Federal Government operate the system. So if we have Governors who believe in Federal operation, the Secretary can step in and use all his money to conduct a Federal system.

I admit that the only difference between this State-aid system and others is that the Federal Government supplies practically 100 percent of the funds. Why is that? It is obviously because when the social-security tax of three-tenths of 1 percent on every employer of eight or more persons throughout the United States was levied, specifically for the purpose of dealing with the problem of unemployment, it was provided that that money could be used to pay the expenses of State bureaus of unemployment compensation. It is true that technically it was a Federal tax, but it was a Federal tax raised for a particular function. That function was the operation of these offices. It was extended also to cover the cost of operation of the employment offices operated by the States, on the theory that while the money was technically Federal money, it was derived from a tax levied on the taxpayers in the States for the specific purpose of operating these offices.

In the course of administration of the Social Security Act we have collected $1,275,000,000 from the employers of the various States, as a pay-roll tax, for the purpose of dealing with unemployment. Incidentally, of that fund we have turned back to the States during that period, for the operation of the unemployment compensation offices and for the operation of the employment offices, until the Federal Government took them over during the war, only $477,000,000. So the Federal Government has made a profit from the tax, after paying all the expenses of this operation, of $798,000,000, which has gone into the General Treasury and has been used for Federal purposes. So, while I believe that a system of this sort is better on a matching basis, because I think the States ought to make some exertion of their own in raising money, to show their interest, nevertheless, the reason why it is a 100-percent grant is perfectly evident from the history of the tax of three-tenths of 1 percent.

It seems to me that in a State-aid system we must rely on the States to act. If the State should fall down and the Federal Government should cut off the funds, the State would be responsible for bringing that particular disaster on itself, and public opinion against the State would be so violent that no State would dare to fail. If it were ruled out temporarily, it would have to raise the money itself in some way, or settle the problem with the Federal Government.

What this provision does is to discourage the States from activity of their own. It removes all initiative and interest in the operation by the States of their own employment offices. It subjects them to the club of every order of the Secretary of Labor and of every traveling official representing the Secretary of Labor who comes into a State office and says, "You must do this. If you do not do it, we will take over your unemployment offices tomorrow and put you out of business, and establish a Federal operation in this State."

The States may be able to say, "You cannot do it for very long." That does not make any difference. The fact that it can be done for 3 months is a sufficient club to force every State to comply with the slightest wish of the Secretary of Labor, and utterly to deprive the States of any independence in the operation of employment offices. So it seems to me that we should rely for enforcement on the withholding of funds, and on public opinion, just as we do in connection with every other State-aid system which we have established. Therefore, I hope the amendment will be adopted.

Mr. MORSE. Mr. President, I should like to comment on some of the observations of the Senator from Ohio. As one of the supporters of the bill in its present form, I cannot be included in the category mentioned by the Senator from Ohio when he says that most of the proponents of the bill believe in federalization of the employment service. The record is perfectly clear. Time and time again the junior Senator from Oregon has voted against federalization of the employment service.

However, I cannot agree with what I think is implicit in the remarks of the Senator from Ohio [Mr. TAFT], namely, that these problems are either exclusively Federal or exclusively State problems. We have never recognized this problem as a 100-percent Federal problem or a 100-percent State problem. Under the Wagner-Peyser Act we recognized it as a State and Federal problem. Many of our problems are mixed problems of Federal and State responsibility. I know of no clearer example of a mixed problem of Federal and State responsibility than the one now before the Senate involving employment services for the people of this country.

Of course, there is a responsibility on the part of the State to see to it that an employment service is maintained under this act, and that the money contributed by the Federal Government for the operation of that service, to the extent of 100 percent, is expended in accordance with reasonable standards and criteria set up in the act.

I think the Senator from Ohio will agree with me that on innumerable occasions he and I have been of one mind on the proposition that when we enact legislation of this type we ought to establish very definite standards to be followed by the States if they are to benefit from the expenditure of Federal funds. I could mention several examples. I mention one in passing. That was our joint opinion in regard to the hospital bill. I think we are pretty much of one mind on all bills which involve Federal money to be expended by the States. The States ought to meet reasonable and decent standards established by the Federal Government if they are to enjoy Federal grants in aid. I submit that that is what is sought to be accomplished by this bill. We cannot get away from the fact that 100 percent of this money is coming from the Federal Government, and that if a State does not meet certain standards the only check we have as a Federal Government is to withdraw or withhold the funds.

However, in such an event it is not the State which suffers. Unemployed men and women suffer. Unemployed individuals suffer. Unemployed human beings suffer unless there is a guaranty-of-operation clause in the bill; and that is what section 9 (b) is. It is that section which the Senator from New Jersey and the Senator from Ohio would strike from this bill. I say that there is provided in the bill a very definite check upon the

State to see to it that it meets decent standards. If a Secretary of Labor should abuse his rights under the bill, that would be a reflection upon us, as a Congress. If he starts to do so, then it is time for us, as a Congress, to go into action and see to it that any arbitrary action on his part is quickly stopped.

I take the position that we cannot justify handing out huge sums of money to the States and letting them spend it as they will, placing the Secretary of Labor in the position of having to make the decision either to let them spend it on the basis of subnormal standards, or to cut off the money entirely and cause individuals to suffer. This guaranty-of-operation clause would at least insure protection of individuals until the problem could be solved between the State and the Federal Government. I repeat that that clause goes to the very heart of the bill. If we strike it out, we do a great injustice to individuals.

Mr. KNOWLAND. Mr. President——

Mr. TUNNELL. Mr. President——

Mr. KNOWLAND. I was about to suggest the absence of a quorum.

Mr. TUNNELL. I wish to speak for a few minutes at this time.

Mr. KNOWLAND. Very well.

The PRESIDING OFFICER (Mr. CARVILLE in the chair). The Senator from Delaware is recognized.

Mr. TUNNELL. Mr. President, I have been very much interested in the amendment and I have wondered what argument could be made in support of it. The only argument in support of it which has been advanced thus far is that the Federal Government could thereby take over. That argument was suggested by the Senator from Ohio. He has said that the bill is built on the theory of those who favor a Federal employment system. I disagree with him entirely. I do not think there is the slightest ground for his position. I do not think there is anything in the bill which warrants such a statement. The bill is not built on the theory of a Federal system at all. I frankly say that I would favor such a system, but I have departed from that theory; and I think this bill meets the objections of those who favor the State systems, and I believe that a great majority of the Congress favors them.

Mr. President, those who oppose a continuous service by either the State governments or the Federal Government for the benefit of the unemployed should vote for the amendment. Those who favor a continuous service for the benefit of the unemployed should support the bill as it is now written and should oppose the amendment. Those who wish to put the States in a position to stop unemployment assistance whenever they may desire to do so and not permit the Federal Government to step in and conduct a Federal unemployment system for 3 months should favor the amendment. In other words, those who wish to strike out the unemployment system and who wish to take such a position at the expense of the unemployed should vote for the Senator's amendment.

Mr. SMITH. Mr. President, will the Senator yield for a question?

Mr. TUNNELL. I yield.

Mr. SMITH. Can the Senator tell me the name of one State in the United States which wishes to do any harm whatever to the unemployed or which wishes to strike out or remove unemployment assistance?

Mr. TUNNELL. I am not suggesting the names of particular States. I am talking about the amendment of the Senator from New Jersey, which would do just what I have said.

Mr. SMITH. I take issue with the Senator from Delaware. I know of no State which wishes to do harm to unemployed persons.

Mr. TUNNELL. I realize that the Senator from New Jersey takes issue, but I disagree with his argument.

The point is that the Senator from New Jersey proposes the amendment, and his amendment would take away from both the State and the Federal Government the right to conduct a system for the aid of the unemployed, whenever there is a difference between the State and the Federal Government as to the requirements. However, the amendment does not take away from the Secretary of Labor the right to stop the payment of funds. He has that right. He has the right to take away from a State the payment of funds for the support of the unemployment system.

The question now is, What will happen when he does that? Under the amendment of the Senator from New Jersey, the Federal Government would be powerless to see that the unemployed received such assistance. Who would be benefited is more than I can understand. The unemployed would not be benefited. The employees of the State would not be benefited. Those who are employed for the purpose of trying to obtain employment for the unemployed would not be benefited. Not even those who are responsible for the appointment of the various State employees would be benefited. The State employees themselves would become unemployed, and would remain so until such time as the State might comply with the requirements. The Federal Government has that power. It retains that power through the Secretary of Labor. All this amendment attempts to do is to protect the unemployed in this service during the interim.

It has been said that there would be a great deal of State resentment and that the States would be compelled to comply. I think that is true. But in the meantime they would be without any unemployment service, under the provisions of the pending amendment. If any Senator wishes to put the unemployed in a position of having no service in a particular State, he should vote for the amendment, because that is just what it will do.

Exception is taken by the Senator from Ohio, in particular, because of the provision "Except to the extent that a system of employment offices under the control of the Secretary is operated within a State either (1) pursuant to specific request of the governor of such State," and so forth.

Now, our friends are afraid of the governors of the various States. I do not know, but I do not think they need be so fearful that the governors of the States will attempt to throw to the Federal Government the power of appointment of employees in the unemployment offices. It seems that they are afraid of the Secretary of Labor and now they are afraid of the governors of the States. They are afraid that, through some chicanery, the governors will take away from the States the right to make their own appointments.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. MORSE. Does the Senator from Delaware know of any governor of a State who would not welcome an opportunity to receive 100 percent Federal money for the maintenance of a State agency? Does the Senator know of any governor that would not be willing to comply with reasonable Federal standards if he could receive Federal support on such a basis and have full administrative control of the agency subject only to reasonable Federal standards? I know of none.

Mr. TUNNELL. I think the Senator is correct. The arguments in support of the amendment are simply a reduction to the absurd.

Mr. MORSE. Even the pay roll itself and the appointment of staff would be quite an inducement to any governor; would they not?

Mr. TUNNELL. That is correct.

Mr. MORSE. Especially so if the governor had something to say about the selection of the staff.

Mr. TUNNELL. That is correct. There is no one who would be benefited by the course advocated by the proponents of the amendment.

Mr. President, I think the States can be depended upon. As the Senator from Oregon has suggested, I do not think we need become so afraid about what the governors of the States will do in respect to those employees.

But I am pleading for the employment of the American people. I am pleading for the continuation of employment of the employees of this organization. I am pleading for the employment of the boys who come home from the armed forces. I am pleading for the employment of the unemployed throughout the Nation.

I do not think my State of Delaware or the State of New Jersey should be discriminated against because of a difficulty between the Secretary of Labor and the State authorities. I do not think our States should be deprived of that service, or that the citizens of any other States should be deprived of that service. I am not afraid of any disloyalty on the part of the governor of any State. I care not what his politics or his religion or his race may be, I think we can trust the governors of the States to be loyal to the interests of the States. I do not believe we need to strike out a protection for the unemployed of the Nation because of a fear that there may be some disloyalty on the part of a governor.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	Myers
Andrews	Hayden	O'Daniel
Austin	Hill	O'Mahoney
Ball	Hoey	Overton
Barkley	Huffman	Reed
Brooks	Johnson, Colo.	Revercomb
Buck	Johnston, S. C.	Robertson
Burch	Kilgore	Russell
Capehart	Knowland	Smith
Capper	La Follette	Stanfill
Carville	McCarran	Stewart
Chavez	McClellan	Taft
Donnell	McKellar	Thomas, Okla.
Downey	McMahon	Tunnell
Eastland	Magnuson	Wagner
Ferguson	Mead	Walsh
Fulbright	Millikin	Wherry
Gerry	Mitchell	White
Green	Moore	Wiley
Guffey	Morse	Willis
Gurney	Murdock	Wilson
Hart	Murray	

The PRESIDENT pro tempore. Sixty-five Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment of the Senator from New Jersey [Mr. SMITH] to strike out section 9 (b) of the committee amendment on page 12.

Mr. TUNNELL and Mr. WHITE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Delaware.

Mr. TUNNELL. On this question I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] is absent because of illness.

The Senator from Missouri [Mr. BRIGGS], the Senator from Utah [Mr. THOMAS], and the Senator from Montana [Mr. WHEELER] are absent by leave of the Senate.

The Senator from South Carolina [Mr. MAYBANK], and the Senator from Idaho [Mr. TAYLOR] are necessarily absent.

The Senator from Mississippi [Mr. BILBO], the Senator from Virginia [Mr. BYRD], the Senator from Arizona [Mr. MCFARLAND], the Senator from Florida [Mr. PEPPER], and the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS] are detained on public business.

The Senator from Idaho [Mr. GOSSETT] is unavoidably detained.

The Senator from Georgia [Mr. GEORGE] and the Senator from Illinois [Mr. LUCAS] are absent on official business.

The Senator from New Mexico [Mr. HATCH] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Louisiana [Mr. ELLENDER] is absent on official business, having been appointed to the Commission on the part of the Senate to participate in the Philippine Independence ceremonies.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

I also announce that the Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

I announce that if present and voting the Senator from South Carolina [Mr. MAYBANK], the Senator from Florida [Mr. PEPPER], the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS], would vote "nay."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from Massachusetts [Mr. SALTONSTALL] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Oregon [Mr. CORDON] is absent by leave of the Senate, being a member of a committee designated by the Senate to attend the atomic bombing at Bikini.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate on official business as a member of the Special Committee on Atomic Energy.

The Senator from Maine [Mr. BREWSTER] and the Senator from Nebraska [Mr. BUTLER] are absent on official business, being members of the Commission appointed to attend the Philippine independence ceremonies.

The Senator from North Dakota [Mr. LANGER], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The result was announced—yeas 26, nays 39, as follows:

YEAS—26

Austin	Hart	Smith
Brooks	Hawkes	Stanfill
Buck	Knowland	Taft
Capehart	Millikin	Wherry
Capper	Moore	White
Donnell	O'Daniel	Wiley
Ferguson	Reed	Willis
Gerry	Revercomb	Wilson
Gurney	Robertson	

NAYS—39

Aiken	Hill	Mitchell
Andrews	Hoey	Morse
Ball	Huffman	Murdock
Barkley	Johnson, Colo.	Murray
Burch	Johnston, S. C.	Myers
Carville	Kilgore	O'Mahoney
Chavez	La Follette	Overton
Downey	McCarran	Russell
Eastland	McClellan	Stewart
Fulbright	McKellar	Thomas, Okla.
Green	McMahon	Tunnell
Guffey	Magnuson	Wagner
Hayden	Mead	Walsh

NOT VOTING—31

Bailey	Byrd	Hickenlooper
Bilbo	Connally	Langer
Brewster	Cordon	Lucas
Bridges	Ellender	McFarland
Briggs	George	Maybank
Bushfield	Gossett	Pepper
Butler	Hatch	Radcliffe
Saltonstall	Thomas, Utah	Wheeler
Shipstead	Tobey	Young
Swift	Tydings	
Taylor	Vandenberg	

So, Mr. SMITH's amendment, as modified, to the committee amendment, was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6064) to extend the Selective Training and Service Act of 1940, as amended, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 2544. An act for the relief of Willie Hines;

H. R. 2954. An act for the relief of John Hamlet;

H. R. 3010. An act for the relief of Mrs. Marie Edens Nast, Mrs. Bessie Amann, and George R. Townsend;

H. R. 3565. An act to authorize the charging of tolls for the passage of transit of Government traffic over the San Francisco-Oakland Bay Bridge; and

H. R. 5208. An act for the relief of Michael J. Keaveney and Mary C. Keaveney.

RETURN OF PUBLIC EMPLOYMENT OFFICES TO STATE OPERATION

The Senate resumed consideration of the bill (H. R. 4437) to provide for the return of public employment offices to State operation, to amend the act of Congress approved June 6, 1933 (48 Stat. 113), and for other purposes.

Mr. MEAD. I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). The amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 7, in line 18, it is proposed to insert the following: "Funds appropriated to the United States Employment Service for the fiscal year 1947 shall be available to carry out the purposes of this act."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York to the committee amendment.

The amendment to the amendment was agreed to.

TRIBUTE TO SENATOR AUSTIN

Mr. MCKELLAR. Mr. President, Senator WARREN ROBINSON AUSTIN came to the Senate in 1931. At that time I had been in the Senate for quite a number of years. I remember the impression he made upon me at the time. He was a quiet, unobtrusive, dignified, and evidently a very highly educated man. He spoke very little in the Senate for a number of years.

He was, and is, a typical New Englander, a very able lawyer, and whenever he did speak, he had something to say. I was impressed with him at first, and Senator AUSTIN has grown every day he has

been in the Senate. He has been an ornament to this body ever since he has been in it. He is conservative in his views and yet at the same time liberal enough when the time comes to change. If a change is needed, he is as quick to see it as anybody and he does not hesitate to advocate it.

One of the finest characteristics about Senator AUSTIN is his lack of fear. He is not afraid to vote his convictions. I do not agree with him always but I have noticed that he votes his convictions, it makes no matter who agrees or disagrees with him.

He is a busy Senator; he is a hard working Senator; he is an effective working Senator; he is a good speaker and his views are always listened to by his brother Senators. I doubt if New England has had a more active Senator than he is, although New England Senators are ordinarily very active and quite effective, and one of them is the great leader of the Republican Party in this body.

I was greatly surprised, not that Senator AUSTIN was to be appointed as the representative of the United States of America on the Security Council of the United Nations, but that he would accept the appointment. He was so well fitted for the duties of a Senator; he fitted in so well with the senatorial system; he enjoyed the friendship and confidence of so many of his fellow Senators and was making such a success of his great office here, that I was surprised that he would be willing to go to a new field.

However, I am sure that he will carry the same vigorous determinations to succeed, the same energies, the same abilities, the same high qualifications to his new office that he has exhibited to such a high degree in his present office.

Mr. President, I wish Senator AUSTIN well. I wish him every success and happiness in his new field of labor. I think all his colleagues regreat his leaving the Senate. I doubt if there is any Senator who does not regret it. I know I regret very much that he is going to leave us. We shall miss him tremendously here, but at the same time I sincerely hope that he will enjoy his new work to the fullest.

Mr. AUSTIN. Mr. President, I desire to take just a moment of the time of the Senate to express my very deep gratitude to the distinguished Senator from Tennessee, the President pro tempore of this great deliberative body, from which with a feeling of sorrow I am soon to depart.

I, too, remember the days 15 years ago, and I recall very well the impression which the distinguished Senator from Tennesee made upon me. I then recognized something that is more than an institution in the Senate of the United States, and that is the tremendous value of experience and even of seniority, for the distinguished Senator from Tennessee had been here taking a leading part in this body for 20 years when I came here 15 years ago. Many times he and I were found opposed to each other upon very important legislation. On the other hand, many times, I admired him in those early days for the pioneering, judgment, skill, and real power that he exercised.

He can well be called the father of the air-mail transportation system, for it was he who was the author of the first appropriation for it, and it happened that that was an appropriation for a line which led northward from Washington to my own home section. It was relatively a very small amount of money—$100,000—but rapidly, stimulated by his efforts in the United States Senate, this remarkable instrumentality of communication developed. I shall always think of him as being one of those great statesmen who had the vision early to promote this wonderful institution of progress—the systematic, regular, scheduled transportation of the mails of the United States by air.

I say we were found opposed to each other sometimes. So it was when he was pioneering another great project—TVA. I was opposed to his views upon that matter, but I must say that in debate he knew where an opponent's jugular vein was, yet the rapier which he carried never let any blood. If a rose was not on the tip of it, it was found somewhere, and today it seems very comforting, inspiring, and gives me confidence when I find it is not one rose but a whole bouquet of roses that comes to me from this very distinguished and very much loved friend.

RETURN OF PUBLIC EMPLOYMENT OFFICES TO STATE OPERATION

The Senate resumed consideration of the bill (H. R. 4437) to provide for the return of public employment offices to State operation, to amend the act of Congress approved June 6, 1933 (48 Stat. 113), and for other purposes.

Mr. DONNELL. Mr. President, I desire to offer an amendment to the pending bill.

The PRESIDING OFFICER. Is it in title II?

Mr. DONNELL. In title III.

The PRESIDING OFFICER. If the Senator will withhold the offer of the amendment for a moment until we finish with title II, then he will be recognized.

If there are no further perfecting amendments to title II, the question is: Shall the Senate agree to the committee amendment, title II, as amended?

Title II, the committee amendment as amended, was agreed to.

The PRESIDING OFFICER. The Chair recognizes the Senator from Missouri.

Mr. DONNELL. Mr. President, I should like to have the attention, if I may, of the Senator from Minnesota [Mr. BALL] and the Senator from Delaware [Mr. TUNNELL], who have presented this bill. On page 15 of the bill——

The PRESIDING OFFICER. Will the Senator from Missouri permit the Chair to interrupt him again? The Chair finds there are committee amendments to title III, which take precedence over the Senator's amendment, and after they are disposed of the Senator will be recognized.

The clerk will state the first committee amendment in title III.

The first committee amendment in title III was, on page 15, line 3, after "(1)", to insert "(a)".

The amendment was agreed to.

The next amendment was, on the same page, in line 5, after the word "who", to insert "(on the day preceding the effective dates of the transfer of the employment offices to the State under this act)."

The amendment was agreed to.

The next amendment was, on the same page, in line 14, after the word "terminated", to insert "under the applicable State merit system."

The amendment was agreed to.

The next amendment was, on the same page, in line 17, after the word "separated", to strike out "after they have been given a reasonable opportunity", and insert "(A) if they have failed."

Mr. DONNELL. Mr. President, the amendment that I had in mind offering has reference to the committee amendment which is now before us, and I am wondering——

The PRESIDING OFFICER. The Senator's amendment is in order.

Mr. DONNELL. I shall not present the amendment at this time. I understand the committee amendment has precedence, but I should like to address myself to the committee amendment, namely, the committee amendment just stated by the clerk. I should like to have the attention of the Senator from Minnesota and the Senator from Delaware with respect to this situation. The committee amendment in lines 17 and 18 strikes out the words "after they have been given a reasonable opportunity", and inserts "(A) if they have failed." Then subsequently, in lines 23 and 24, after striking out the word "positions" it is proposed to insert certain language italicized down to the word "or."

Mr. President, the effect of the particular portion of the bill set forth in subdivision (1) of section 301 is to make provision for the retention in the State-wide system of public employment offices of employees of the Federal Government who have been employed in State and local service functions in such State, and so forth; with certain distinct exceptions: First, that individuals so transferred from the Federal Government back to the State government "may be separated or terminated"—and by those terms I understand that they may no longer be allowed to work for the State government "for good cause as determined in individual cases under the applicable State merit system."

The second exception to the retention is that they may be "separated or terminated under the applicable State merit system by reason of reductions in force found necessary in the interests of efficient operations."

The third exception to the retention of Federal employees is that which is the subject of this particular committee amendment. In the committee amendment the exception is that the Federal employees may be separated or relieved from further employment "if they have failed to acquire eligibility for continued employment in the State-wide system of public employment offices after having been given a reasonable opportunity to acquire such eligibility."

The effect of this amendment is illustrated by the following example: If a Federal employee takes an examination

along with other persons who desire the same position and fails to pass the examination, he may be discharged or let out. But if he passes the examination along with others, he has an automatic preference by which he stays in, regardless of the fact that the other persons who pass the examination may have greater experience, may have higher grades, or may for any other reason be preferred to the Federal employee.

The language as it came over from the House of Representatives provided that such employees "may be separated after they have been given a reasonable opportunity to acquire eligibility for continued employment in the State-wide system of public-employment offices under the State merit system in the positions occupied by them under the Federal service or in reasonably comparable positions."

It seems to me that adequate preference is given to the Federal employee by the provision as it came from the House of Representatives, for under that provision he may be separated from employment in the event he has had reasonable opportunity to acquire eligibility and has failed to do so. But under the committee amendment, as I have indicated, if he takes the examination and passes the examination, he has an automatic retention of his position, regardless of whether the State desires him to be separated or not.

I am hoping that the Senator in charge of the bill may consent to substitute for the language of the committee amendment that which was contained in the House provision. That would mean striking out, on page 15, in line 18, "(A) if they have failed" and inserting in lieu thereof "after they have been given a reasonable opportunity"; also, in lines 23 and 24, the words to be striken out would be "positions, after having been given a reasonable opportunity to acquire such eligibility," and there would be inserted in lieu thereof the word "positions." I respectfully inquire whether the Senator in charge of the bill would be willing to accept the House language in lieu of the language of the committee amendment?

Mr. BALL. Mr. President, I think the Senator from Missouri has not quite correctly interpreted the effect of the amendment. As the language came over from the House, it would give the employees transferred absolutely no protection whatever in their jobs, no matter what they did in a civil-service examination, even though they might pass at the head of the list. Once they had been given a reasonable opportunity to acquire eligibility, the State would be perfectly free to fire, dismiss, or to retain them, as it wished.

There was considerable pressure on the committee to require the States to agree to blanket all these Federal employees into the State service on the basis of merely a qualifying examination. The Senator from Missouri has interpreted this language as meaning that. However, it does not. In the merit system parlance there is a difference between qualifying and becoming eligible for appointment. What this language means is that if the individual now holding a job in the State system, after it is transferred, takes a competitive civil-service examination in competition with all the others who are trying for that job—and in most cases there will be from 10 to 100 positions in the same classification, and probably several hundred competing for them—and passes the competitive examination with a sufficiently high grade, considering veterans' preference, which applies to most of these positions, so that under the State merit system he is among the top three or four who are certified for appointment, the State must agree to appoint him. If the individual now in the position passes a competitive examination with a high enough grade so that he is among the top three certified, the State must agree to keep him in that position or a comparable position. This provision would not give him the right merely to pass a qualifying and noncompetitive examination and be blanketed into State employment. It seems to me that that is a reasonable protection in the interest of continuity of service to give those who have joined the service since it was transferred to the Federal Government.

Mr. DONNELL. Mr. President, I think the Senator from Minnesota has correctly interpreted the language. That is the very ground on which I object to the committee amendment. As I see it, the language of the committee amendment means that if John Smith were employed in the Federal work, and the activity were transferred to the State, if he took an examination along with 300 others, and passed the examination among the first three who would be qualified for appointment under the State act, it would be obligatory upon the State to appoint him, regardless of the comparative grades of the other two who would be eligible for appointment. It seems to me that that is an undue preference.

In my opinion, the language in the House provision gives sufficient preference to Federal employees. The House language makes it possible for the Federal employee to take an examination in the grade which he has attained in Federal employment, whereas, as I understand, under the State merit system, otherwise an individual would have to take an examination at the foot of the ladder, for the lowest grade of employment open under the State merit system. So the system provided by the House language would give to the Federal employee a very considerable advantage, because it would entitle him to take the examination in the grade at which he was employed in the Federal service. The objection I have is the very fact which the Senator from Minnesota has pointed out, namely, that after he takes the examination and is found to be among the first three, the other two of whom may have a very much higher grade than he has, may have had greater experience than he has had, and may for excellent reasons be preferable, the State would be obliged to blanket him into State employment. For that reason I do not believe that the committee amendment should be sustained.

Mr. BALL. Mr. President, I merely wish to point out that this amendment would afford protection to employees who have joined the State services since the Federal Government took them over. Of course, once they are appointed the State can discharge them at any time it wishes to do so. But it is provided that they shall be given an appointment if they pass an examination high enough to be among the top three certified for appointment. We are doing much less for the employees than the Federal Government did for the State employees when it took over the services, because the Government, by Executive order blanketed all the State employees of the State services into the Federal civil service, at their then grades, without any examination—not even a qualifying examination. It seems to me that the 14,000 persons involved are entitled to at least the consideration given them by the committee amendment. The House language gives them absolutely no protection. It simply provides that they shall have an opportunity to become eligible. Once they have had the opportunity, the State has no further obligation under the House language.

I hope the committee amendment will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 15, beginning on line 17, after the word "separated" and ending with the word "eligibility" in line 24. [Putting the question.]

Mr. DONNELL. Mr. President, I ask for a division.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LA FOLLETTE. This vote is on the committee amendment, is it not?

The PRESIDING OFFICER. The Senator is correct. A division has been called for.

On a division the amendment was rejected.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. Is the effect of the action just taken to reinstate the content of the House bill at that point, in lieu of the committee amendment?

The PRESIDING OFFICER. That is correct; that is the effect of the vote.

Mr. DONNELL. I thank the Chair.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. Is it in order to move to reconsider the action just taken by the Senate?

The PRESIDING OFFICER. It is. Does the Senator make a motion to reconsider?

Mr. MORSE. I move that the Senate reconsider the vote by which the committee amendment was rejected.

Mr. DONNELL. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. The Senator who has made the motion to reconsider was upon the losing side; was he not?

Mr. BARKLEY. Mr. President, in the absence of a yea-and-nay vote, any Senator may move to reconsider.

The PRESIDING OFFICER. The Senator from Oregon is eligible to make the motion to reconsider.

Mr. MORSE. So, Mr. President, I have moved that the Senate reconsider the vote by which the committee amendment was rejected.

I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	Myers
Austin	Hawkes	O'Daniel
Ball	Hayden	O'Mahoney
Barkley	Hill	Overton
Bridges	Hoey	Reed
Brooks	Huffman	Revercomb
Buck	Johnson, Colo.	Robertson
Burch	Johnston, S. C.	Russell
Bushfield	Kilgore	Smith
Capehart	Knowland	Stanfill
Capper	La Follette	Stewart
Carville	McCarran	Swift
Chavez	McClellan	Taft
Donnell	McKellar	Thomas, Okla.
Downey	McMahon	Tunnell
Eastland	Magnuson	Wagner
Ferguson	Mead	Walsh
Fulbright	Millikin	Wherry
George	Mitchell	White
Gerry	Moore	Wiley
Green	Morse	Willis
Guffey	Murdock	Wilson

The PRESIDING OFFICER. Sixty-nine Senators having answered to their names, a quorum is present.

The question is on the motion to reconsider the vote by which the committee amendment on page 15 was disagreed to.

Mr. MORSE. On this question I ask for the yeas and nays. The yeas and nays were ordered.

Mr. BALL. Mr. President——

Mr. REVERCOMB. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. REVERCOMB. Do I understand that a vote "yea" will be to sustain the committee amendment?

The PRESIDING OFFICER. That is correct.

Mr. REVERCOMB. And a vote "nay" would sustain the position of the Senator from Missouri.

The PRESIDING OFFICER. That is correct.

Mr. DONNELL. Mr. President, I should like to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. Is the motion of the Senator from Oregon debatable?

The PRESIDING OFFICER. It is debatable.

Mr. HILL. Mr. President, a parliamentary inquiry. Is the pending question on the motion to reconsider the vote by which the amendment of the Senator from Missouri was agreed to?

Mr. LA FOLLETTE. No; it is a motion to reconsider the vote by which the committee amendment on page 15, line 17, was rejected.

Mr. HILL. Very well.

Mr. BALL. Mr. President, the language on which we are about to vote is on page 15, in line 17, after the word "separated", beginning with the word "after" and ending in line 24 with the word "eligibility." That is one of the transfer provisions relating to employees of State services who were hired since the Federal Government took over the services, and have no status in the State merit system. Under the House language of the bill those individuals might be separated from the service after having been given a reasonable opportunity to acquire eligibility. All the language of the committee amendment would afford to those persons—and there are some 14,000 of them—is the right to take a competitive examination under the State civil-service system in their respective States. If they pass highest on the list, very well. There would be no obligation, whatever, of the State to retain them once they had been given an opportunity to take the examination and did not pass with high grades. They are not to be blanketed in under a qualifying examination, but after they take a competitive examination, if they pass the examination high enough so that they are among the top three or four to be certified for appointment, the State then is under the obligation to appoint them and retain them in the positions which they have held, or in comparable position. That situation will obtain only so long as their services are satisfactory. Even though they have once been appointed, they still may be separated from their employment under the State system. What the committee amendment does is only to give them a right to continue in their original employment if they pass a competitive examination with a sufficiently high grade. The examination is a competitive one and not a qualifying one. Their ratings must be high enough to place them among the top three to be certified.

Mr. STANFILL. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. STANFILL. I should like to have the Senator explain to me how he arrives at the conclusion that if a person takes the examination and receives a rating which places him among the top three or four applicants, that person is eligible to appointment.

Mr. BALL. That is not provided for in the bill, because the State merit system must apply. There is a general provision in most civil service State laws that the civil service commission shall certify the top three applicants for appointment.

Mr. STANFILL. Suppose a person who has been a Federal employee should take the examination together with 10 or 12 other persons, and that he received a grade which placed him fifth or sixth man from the top of the list. Would the law give him the right to the job?

Mr. BALL. No; not unless he receives a grade which is high enough to be certified by the Civil Service Commission, or whatever the commission may be in the State which handles such matters. He must pass the examination with a grade sufficiently high to enable him to be certified for appointment.

Mr. STANFILL. According to the State law.

Mr. BALL. Yes. Usually that means that he must be among the three top candidates.

Mr. WHITE. Mr. President, I wish to say only a word. Quite apart from the merits of the proposal which the Senator from Minnesota has been discussing, I believe it is apparent that the Senator from Oregon [Mr. MORSE] took the first opportunity which was offered him to move to reconsider the vote by which the committee amendment on page 15 had been rejected. It seems to me that that comity which does and should prevail between Senators should accord him a right to have a vote taken on his motion, so that the merits of the amendment may be passed upon in that manner.

Mr. CAPEHART. Mr. President, if I understand correctly what we are trying to do, is to return the State employment offices to the States, as we promised to do.

Mr. DONNELL. Mr. President, will the Senator yield to me for a moment?

In view of the excellent suggestion which has been made by the minority leader, if it is within my power to do so I consent to the reconsideration of the vote by which the committee amendment on page 15 was rejected.

The PRESIDING OFFICER. The yeas and nays have already been ordered. It will require unanimous consent to vacate the order for the yeas and nays.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the yeas and nays be vacated.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered. The question recurs on agreeing to the committee amendment.

The Senator from Indiana is recognized.

Mr. CAPEHART. Mr. President, the subject which we are discussing is one which concerns the return of employment agencies to the respective States. If we are going to return them, and I am certain that we are, let us return them in as nearly the same condition as they were in when we took them over in 1942. Likewise, let us return them to the States on the basis of allowing the States to employ their own personnel under their own rules and regulations. Why tie the hands of the Governors of the respective States and establish rules and regulations by which they must employ this person or that person?

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CAPEHART. I am very happy to yield to the Senator from Oregon.

Mr. MORSE. In view of the fact that unanimous consent has been given to vacate the order for the yeas and nays, I ask unanimous consent to reconsider so that we can proceed with the discussion of the merits concerning which the Senator from Indiana is addressing the Senate.

The PRESIDING OFFICER. The Chair states that the motion to reconsider has already been agreed to by unanimous consent.

Mr. CAPEHART. Mr. President, I hope the Senate will vote to eliminate the committee amendment and permit the 48 States to choose their own employees and operate their own business so far as employment offices are concerned.

Mr. DONNELL. Mr. President, I should like to be heard briefly on the committee amendment.

The committee amendment is in section 301 (1) (a) under title III. Subdivision 1 of that section relates to a requirement that the State must, in order to secure moneys under the employment service appropriations, make provision for the transfer and retention in the State-wide system of public employment offices, of employees of the Federal Government, who, on the date preceding the effective date of the transfer of the public employment offices to the State under this bill, had been employed locally, and that they shall continue their employment in the State-wide system of public employment offices under the State merit systems in the positions occupied by them under the Federal service, or in reasonably comparable positions.

Subdivision 1 proceeds to make three exceptions to this mandatory requirement for transfer to and retention in the State-wide system of public employment offices. Those exceptions are, first, that individuals so transferred back to the States "may be separated or terminated for good cause as determined in individual cases under the applicable State merit system"; second, that they may be "separated or terminated under the applicable State merit system by reason of reductions in force found necessary in the interests of efficient operation"; and, third, may be separated, according to the committee amendment, "if they have failed to acquire eligibility for continued employment in the State-wide system of public employment offices under the State merit system in the positions occupied by them under the Federal service or in reasonably comparable positions, after having been given a reasonable opportunity to acquire such eligibility."

Mr. President, as I understand, the effect of subsection 1 is, first, that an obligation is cast upon the States to consent to the transfer back to them and to the retention by them in State public employment offices of employees of the Federal Government, except these three classes I have mentioned, and unless a person comes within one of those exemptions, the State must retain him.

The first exception relates to a case where a man may be terminated for good cause. There is no objection to that.

Second, he may be terminated by reason of reductions in force found necessary in the interest of efficient operations.

There is only one other contingency in which a Federal employee may be dismissed from his job by the State, and under the committee amendment that third exception is in a case where the individual has failed to acquire eligibility for continued employment.

Mr. President, the effect of that is best indicated by an illustration. Let us take the case of a Federal employee who goes back to the State of Illinois, we will say, and passes an examination, which is given by the State of Illinois merit system authorities, and let us suppose he is among the first three of the persons who pass the examination, that is to say, the first three in point of grades; but let us suppose he is the third as among the three. Under the statute as it would be written under the committee amendment it would be obligatory on the State authorities of Illinois to retain that man, even though there were two others of the three who had acquired eligibility, who had higher grades, who may have had long experience, who might be better qualified than he would be under the law and under the facts to occupy the position.

Mr. KNOWLAND. Mr. President, will the Senator from Missouri yield?

Mr. DONNELL. I yield.

Mr. KNOWLAND. What effect, in the opinion of my able colleague from Missouri, would that have on a veteran's preference?

Mr. DONNELL. Mr. President, that is covered on the next page. I do not think that is affected by the provision to which I am referring. Subdivision (b), on page 16, again under subsection (1), requires that the States shall have—

made provision for the extension to employees of the Federal Government who left employment-service positions in such State in order to perform training and service in the land or naval forces of the United States or service in the merchant marine.

I may point out that there is an "or" which appears between "(A)" and "(B)" on page 15. It is my understanding that the language on page 16 makes adequate provision for those who have been in the war. If I am mistaken in that, I have no doubt the Senator from Minnesota or the Senator from Delaware will correct me, and I pause for such correction, if either of them thinks I am in error.

Mr. KNOWLAND. Mr. President, will the Senator yield again?

Mr. DONNELL. I yield to the Senator from California.

Mr. KNOWLAND. That point covers a man in the Federal service who is a veteran; but does it not give him more or less of a superpriority against a veteran who has not been in the Federal service but otherwise might be considered by a State for employment?

Mr. DONNELL. That may be. I think perhaps the Senator from Minnesota could better answer that question than can I.

Mr. BALL. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. BALL. No; it gives him no superpriority at all. It merely says that if he is an employee who was employed in the State service after the Federal Government took it over and left the service to go into the armed forces and returned after the employment services were transferred back to the States he shall have the same rights he would have had if he had returned one day before the services were turned back. It gives him no super rights at all.

Mr. DONNELL. Mr. President, the point I make, boiled down, is simply this: That under the language of the committee amendment, unless the Federal employee shall fail to acquire eligibility by continued employment—or, for illustration, in the case I have cited, failed to be one of the first three in point of grades—unless he fails, he cannot be separated from the employment, whereas, as I see it, under the House provision, he may be separated from the employment after he has been given a reasonable opportunity to acquire eligibility.

In my judgment, the recommendation of the committee to the Senate gives this man not only the right to take an examination in the higher grade in which he is employed in the Federal work, but, in addition to that, in the illustration which I have suggested, if he is one of the first three, he has an absolute preference as against the other two who are within the three, even though the other two may each have higher grades, and be better qualified, in the judgment of the State director, than is the Federal employee.

Mr. President, to my mind that is not advisable. To my mind, it is more preferable to adopt the House language, which likewise guarantees to the employee a reasonable opportunity to acquire eligibility, but does not require that he shall be continued in the service of the State if after he has acquired eligibility the appointing authorities may deem it advisable to appoint one of the other two I have mentioned in the illustration.

Mr. BALL obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator from Minnesota yield?

Mr. BALL. I yield.

Mr. KNOWLAND. The point I wish to cover is not the case of a man who has been in the Federal or State service and has left to go into the armed services and has returned. The point I wish to have cleared up is this: If there is a man in the Federal service who was not in the armed services, and there is a person outside of the employment service who was in the armed services and has come to take his civil-service examination, and normally would be entitled to a veteran's preference, having served in the armed forces, is he foreclosed from getting a job because a man who has been in the Federal service has a priority over him?

Mr. BALL. No; I do not think so, because the applicable State law would apply, and I think a great many State laws provide that a veteran who is certified for appointment cannot be passed over; he has an absolute preference.

Mr. KNOWLAND. That is what I wish to make clear, and I want the record here to show that that is the intent, so that if this matter ever comes up in the courts we will be sure to have the legislative intent indicated, that the veteran is not being pushed aside and

deprived of the rights he normally would have under veterans' preference.

Mr. BALL. That is correct. If a State law gives him absolute preference, if he is in the top three certified, or four, or five, or whatever the number may be, and has absolutely a right to the appointment, then the State law applies, because we specifically provide that the whole proceeding is under the State merit system, and obviously in such a case the holder of the position has not acquired eligibility because someone else has prior eligibility.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 15, which will be stated.

The CHIEF CLERK. On page 15, line 17, after the word "separated", it is proposed to strike out "after they have been given a reasonable opportunity," and insert "(A) if they have failed"; and on line 22, after the word "comparable", to strike out "postions" and insert "positions, after having been given a reasonable opportunity to acquire such eligibility."

Mr. BALL. I ask for the yeas and nays.

Mr. MORSE. I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withdraw his request if the yeas and nays are ordered?

Mr. MORSE. Yes, Mr. President.

The yeas and nays were ordered.

Mr. DONNELL. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. A vote "yea" is in favor of the committee amendment, and a vote "nay" is against the committee amendment?

The PRESIDING OFFICER. The Senator is correct. The yeas and nays having been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] is absent because of illness.

The Senator from Missouri [Mr. BRIGGS], the Senator from Utah [Mr. THOMAS], and the Senator from Montana [Mr. WHEELER] are absent by leave of the Senate.

The Senator from South Carolina [Mr. MAYBANK], and the Senator from Idaho [Mr. TAYLOR] are necessarily absent.

The Senator from Mississippi [Mr. BILBO], the Senator from Virginia [Mr. BYRD], the Senator from Arizona [Mr. MCFARLAND], the Senator from Florida [Mr. PEPPER], and the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS] are detained on public business.

The Senator from Rhode Island [Mr. GREEN], the Senator from Illinois [Mr. LUCAS], and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from New Mexico [Mr. HATCH] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Louisiana [Mr. ELLENDER] is absent on official business, having been appointed to the Commission on the part of the Senate to participate in the Philippine independence ceremonies.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

I also announce that the Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

I announce that if present and voting, the Senator from Rhode Island [Mr. GREEN], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], the Senator from Florida [Mr. PEPPER], the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS] would vote "yea."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from Massachusetts [Mr. SALTONSTALL] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Oregon [Mr. CORDON] is absent by leave of the Senate, being a member of a committee designated by the Senate to attend the atomic bombing at Bikini.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate on official business as a member of the Special Committee on Atomic Energy.

The Senator from Maine [Mr. BREWSTER] and the Senator from Nebraska [Mr. BUTLER] are absent on official business, being members of the commission appointed to attend the Philippine independence ceremonies.

The Senator from North Dakota [Mr. LANGER], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The result was announced—yeas 43, nays 24, as follows:

YEAS—43

Aiken	Hill	Murdock
Andrews	Hoey	Murray
Ball	Huffman	Myers
Barkley	Johnson, Colo.	O'Mahoney
Burch	Johnston, S. C.	Overton
Chavez	Kilgore	Russell
Downey	Knowland	Smith
Eastland	La Follette	Stewart
Ferguson	McClellan	Swift
Fulbright	McKellar	Thomas, Okla.
George	McMahon	Tunnell
Gerry	Magnuson	Wagner
Gossett	Mead	Walsh
Guffey	Mitchell	
Hayden	Morse	

NAYS—24

Austin	Gurney	Robertson
Brooks	Hart	Stanfill
Buck	Hawkes	Taft
Bushfield	Millikin	Wherry
Capehart	Moore	White
Capper	O'Daniel	Wiley
Carville	Reed	Willis
Donnell	Revercomb	Wilson

NOT VOTING—29

Bailey	Green	Saltonstall
Bilbo	Hatch	Shipstead
Brewster	Hickenlooper	Taylor
Bridges	Langer	Thomas, Utah
Briggs	Lucas	Tobey
Butler	McCarran	Tydings
Byrd	McFarland	Vandenberg
Connally	Maybank	Wheeler
Cordon	Pepper	Young
Ellender	Radcliffe	

So the committee amendment on page 15, in lines 22, 23, and 24, was agreed to.

The PRESIDING OFFICER (Mr. HOEY in the chair). Without objection, the remainder of the committee amendment, beginning in line 24, on page 15, and ending in line 12, on page 16, is agreed to.

The committee amendment so agreed to was, on page 15, in line 24, after the previous amendment, to insert: "or (B) if the Secretary has determined that it is impracticable for them to be given an opportunity to acquire such eligibility; and (b) has made provision for the extension to employees of the Federal Government who left employment-service positions in such State in order to perform training and service in the land or naval forces of the United States or service in the merchant marine as defined in Public Law No. 87, Seventy-eighth Congress, of the same employment rights and privileges as those provided for Federal employees transferring to State employment in accordance with the provisions of this section."

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942—CONFERENCE REPORT

Mr. BARKLEY submitted the following conference report, which was ordered to lie on the table:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6042) to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That section 1 (b) of the Emergency Price Control Act of 1942, as amended, is amended by striking out 'June 30, 1946' and substituting 'June 30, 1947.'

"SEC. 2. Section 6 of the Stabilization Act of 1942, as amended, is amended by striking out 'June 30, 1946' and substituting 'June 30, 1947.'

"SEC. 3. Title I of the Emergency Price Control Act of 1942, as amended, is amended by inserting after section 1 thereof a new section as follows:

"'PURPOSES AND POLICIES IN THE TRANSITION PERIOD

"'SEC. 1A. (a) Objectives: The Congress hereby affirms—

"'(1) that because of abnormally excess spending power in relation to the presently

available supply of commodities, rapid attainment of production equal to the public demand is one of the necessary and urgent objectives for the prevention of inflation and for the achievement of a reasonable stability in the general level of prices and rents, cost of living and costs of production (including labor costs), for the purposes set forth in section 1 of this Act and for the further purposes of protecting the real value of benefits provided by law for veterans and their dependents, of keeping faith with purchasers of United States War Bonds, and of making possible a successful transition to a peacetime economy of maximum employment, production, and purchasing power under a system of free enterprise;

"'(2) that unnecessary or unduly prolonged controls over prices and rents and use of subsidies would be inconsistent with the return to such a peacetime economy and would tend to repress and prevent the attainment of this and the other goals herein declared; and

"'(3) that adequate prices are necessary stimulants to the production thus desired and the expeditious attainment of said goals.

"'(b) Declaration of decontrol policy: Therefore it is hereby declared to be the policy of the Congress that the Office of Price Administration, and other agencies of the Government, shall use their price, subsidy, and other powers to promote the earliest practicable balance between production and the demand therefor of commodities under their control, and that the general control of prices and the use of subsidy powers shall, subject to other specific provisions of this act, be terminated as rapidly as possible consistent with the policies and purposes set forth in this section and in no extent later than June 30, 1947, and on that date the Office of Price Administration shall be abolished.

"'(c) Recommendations by the President to the Congress: (1) As soon as practicable after the enactment of this section and in any event on or before January 15, 1947, the President shall recommend to the Congress such further legislation as in his judgment is needed to establish monetary, fiscal, and other policies which are adequate to supplement the control of prices and wages during the balance of the fiscal year 1947, and to insure that general control of prices and wages can be terminated by the end of that fiscal year without danger of inflation thereafter.

"'(2) On or before April 1, 1947, the President shall report to the Congress what, if any, commodities or classes of commodities, including housing accommodations, are in such critically short supply as to necessitate, in his judgment, the continuance of the powers granted by this act as to them after June 30, 1947, together with his recommendations as to established departments or agencies of the Government (other than the Office of Price Administration) which should be charged with the administration of such powers.

"'(d) Decontrol of nonagricultural commodities: (1) On or before December 31, 1946, the Administrator shall decontrol all nonagricultural commodities not important in relation to business costs or living costs, and prior to that date shall proceed with such decontrol as rapidly as, in his judgment, will be consistent with the avoidance of a cumulative and dangerous unstabilizing effect. In no event shall maximum prices be maintained after December 31, 1946, for any nonagricultural commodity or class of commodities unless the same has been expressly found by the Administrator to be important in relation to business costs or living costs.

"'(2) The Administrator shall provide for the prompt removal of maximum prices in the case of any nonagricultural commodity whenever the supply thereof exceeds or is in approximate balance with the demand therefor (including appropriate inventory requirements).

"'(3) Whenever, after a reasonable test period, it appears that the supply of a nonagricultural commodity which has been decontrolled is no longer consistent with the applicable decontrol standard, the Administrator, with the advance consent in writing of the Price Decontrol Board established under subsection (h), shall reestablish such maximum prices for the commodity, consistent with applicable provisions of law, as in his judgment may be necessary to effectuate the purposes of this Act.

"'(e) Agricultural commodities: (1) On the first day of the first calendar month which begins more than thirty days after the date of enactment of this section, the Secretary of Agriculture shall certify to the Price Administrator each agricultural commodity which such Secretary determines to be in short supply. Thereafter, on the first day of each succeeding calendar month the Secretary shall certify modifications of such certification by adding other agricultural commodities which have become in short supply and by removing from such certification such commodities which he determines are no longer in short supply. No maximum price shall be applicable with respect to any agricultural commodity during any calendar month which begins more than thirty days after the date of enactment or this section, unless such commodity is certified to the Price Administrator under this paragraph as being in short supply.

"'(2) (A) Whenever the Secretary of Agriculture determines that maximum prices applicable to any agricultural commodity which is in short supply are impeding the necessary production of such commodity, he may recommend to the Price Administrator such adjustments in such maximum prices as the Secretary determines to be necessary to attain the necessary production of such commodity.

"'(B) The Secretary of Agriculture by December 31, 1946, shall recommend to the Price Administrator the removal of maximum prices on all agricultural commodities, whether or not in short supply, not important in relation to business costs or living costs, and prior to that date shall make such recommendations as rapidly as, in his judgment, will be consistent with the avoidance of a cumulative and dangerous unstabilizing effect.

"'(C) Within ten days after the receipt of any recommendation under this subsection for the adjustment of maximum prices applicable to any agricultural commodity, or for the removal of maximum prices on agricultural commodities not important in relation to business costs or living costs, the Price Administrator shall adjust or remove such maximum prices in accordance with such recommendations.

"'(3) Whenever the Secretary of Agriculture determines that an agricultural commodity with respect to which maximum prices have been removed is in short supply and that the reestablishment of maximum prices with respect thereto is necessary to effectuate the purposes of this Act, the Secretary, with the written consent of the Price Decontrol Board, may recommend to the Administrator, and the Administrator shall establish, such maximum prices with respect to such commodity, consistent with applicable provisions of law, as in the judgment of the Secretary are necessary to effectuate the purposes of this Act.

"'(4) For the purposes of this section—

"'(A) an agricultural commodity shall be deemed to be in short supply unless the supply of such commodity equals or exceeds the requirements for such commodity for the current marketing season;

"'(B) the term "agricultural commodity" shall be deemed to mean any agricultural commodity and any food or feed product processed or manufactured in whole or substantial part from any agricultural commodity.

"'(5) Notwithstanding any other provision of this or any other law, except as provided in subsection (h), the Secretary of Agriculture, in exercising his functions under this Act, shall not be subject to the direction or control of any other appointive officer or agency in the executive branch of the Government, and no such officer or agency shall undertake to exercise any direction or control over the Secretary of Agriculture with respect to the exercise of such functions. The Secretary of Agriculture may at any time withdraw his approval of any action with respect to which his approval is required under this Act, and upon the withdrawal of his approval such action shall be rescinded.

"'(6) No maximum price and no regulation or order under this Act or the Stabilization Act of 1942, as amended, shall be applicable with respect to any agricultural commodity, or any service rendered with respect to any agricultural commodity, unless a regulation or order establishing a maximum price with respect to such commodity had been issued under this Act prior to April 1, 1946.

"'(f) Saving provision: Nothing in this section shall limit the Administrator's authority to remove maximum prices for any nonagricultural commodity, or any agricultural commodity with the approval of the Secretary of Agriculture, at an earlier time than would be required by this section, if in his judgment or in the judgment of the Secretary of Agriculture, as the case may be, such action would be consistent with the purposes of this section.

"'(g) Petitions for decontrol: (1) If in the judgment of the industry advisory committee appointed by the Administrator in accordance with section 2 (a) of this Act to advise and consult with respect to a commodity, the standards set forth in this section require the removal of maximum prices for such commodity, it may file a petition for the removal of such maximum prices. In the case of any nonagricultural commodity, such petition shall be filed with the Administrator in accordance with regulations prescribed by him. In the case of agricultural commodities, such petition shall be filed with the Secretary of Agriculture in accordance with regulations prescribed by him and shall request that he make an appropriate certification or recommendation to the Price Administrator. The petition shall specifically state the grounds upon which the committee believes such action to be required and shall be accompanied by affidavits or other written evidence in support thereof:

"'(2) Within fifteen days after receiving a petition filed in accordance with the provisions of this subsection, the Administrator or the Secretary of Agriculture, as the case may be, shall either grant the petition or inform the committee in writing why in his judgment the standards for decontrol stated in subsections (d) and (e) have not been satisfied with respect to the commodity involved. If the petition is not granted in full, the Administrator or the Secretary, as the case may be, shall, within ten days after the receipt of a request by the committee for further consideration of its petition, hold a hearing before himself or before a deputy administrator (or, in the case of the Secretary, before such officer as he may designate) at which the committee may present its argument in support of the petition. The Consumers Advisory Committee and the Labor Advisory Committee appointed by the Administrator shall be given notice of any such hearing and an opportunity to present their views with respect to the petition and may, not later than five days prior to such hearing, present in writing evidence relat-

ing thereto. Within fifteen days after such hearing, the Administrator or the Secretary, as the case may be, shall either grant the petition in full or furnish the industry advisory committee with a statement in writing of his reasons for denying it in whole or in part, together with a statement of any economic data or other facts of which he has taken official notice in connection with such denial.

"'(3) At any time within thirty days after the denial in whole or in part, following a hearing, of a petition filed under this subsection, the petitioning industry advisory committee may petition the Price Decontrol Board established under subsection (h) for a review of the action of the Administrator or the Secretary of Agriculture. If the Administrator or the Secretary, as the case may be, fails to act upon a petition within the time prescribed by paragraph (2), the industry advisory committee may, at any time within thirty days after the expiration of the time so prescribed, petition the Price Decontrol Board for the removal of maximum prices on the commodity involved.

"'(4) Nothing in this section shall be construed to take away or impair any right of any person to protest, in accordance with the provisions of sections 203 and 204 of this Act, the further maintenance of maximum prices for a commodity under the standards of subsection (d) or (e): *Provided*, That the filing of such a protest or of a petition under paragraph 3 of this subsection shall not be grounds for staying any proceeding brought pursuant to section 205 of this Act or section 37 of the Criminal Code, and no retroactive effect shall be given to any judgment setting aside a provision of a regulation, order, or price schedule under the standards set forth in this section.

"'(h) Price decontrol board: (1) There is hereby established as an independent agency in the executive branch of the Government a Price Decontrol Board, to be composed of three members appointed by the President by and with the advice and consent of the Senate. Not more than two members of the Board shall be members of the same political party. Two members of the Board shall constitute a quorum, and a vacancy in the membership of the Board shall not impair the power of the remaining members to exercise its functions. Members of the Board shall receive compensation at the rate of $12,000 a year.

"'(2) The Board shall appoint and fix the compensation of a secretary for the Board and such other officers and employees as may be necessary to enable it to perform its functions. The Board may make such expenditures as may be necessary for performing its functions. The Board may, with the consent of the head of the department or agency concerned, utilize the facilities, services, and personnel of other agencies or departments of the Government. The Board shall maintain an office in charge of its secretary in the District of Columbia, which shall be open on all business days for the receipt of petitions for review and the transaction of other business of the Board. The Board shall prescribe regulations and procedures for the conduct of its business which will provide for summary disposition, with the utmost expedition consistent with sound decision, of petitions filed with the Board.

"'(3) A petition made under subsection (g) (3) shall specifically state the grounds upon which the petitioning industry advisory committee believes that maximum prices on the commodity involved should be removed. A copy of such petition shall forthwith be served on the Administrator or the Secretary, as the case may be, who shall within such time as may be fixed by the Board certify and file with the Board a transcript of such portions of the proceedings in connection with the petition under subsection (g) as are material. Such transcript shall include a statement in writing of the Administrator's or Secretary's reasons for believing that maximum prices on the commodity involved should not be removed, together with a statement of any economic data or other facts of which he has taken official notice. At the earliest practicable time the Board shall conduct a hearing upon the petition, at which the Administrator or the Secretary, as the case may be, and the committee shall be given an opportunity to present their views and argument orally or in writing. If application is made to the Board by either party for leave to introduce additional evidence, the Board may permit such evidence to be introduced or filed with it if it deems it material and determines that such evidence could not reasonably have been offered or included in the proceedings under subsection (g). At the earliest practicable time after the hearing on any petition, the Board shall make and issue an order specifying the extent, if any, to which maximum prices on the commodity involved shall be removed. The Board shall order the removal of such maximum prices if and to the extent that in its judgment the standards of decontrol stated in subsection (d) or (e) have been satisfied with respect to the commodity involved. The Administrator shall remove maximum prices with respect to the commodity in question within such time and to such extent as shall be specified in the order of the Board. Orders of the Board shall not be subject to modification or review by any other department or agency or by any court.

"'(4) No petition may be filed with the Board with respect to any commodity within a period of three months after the issuance of an order of the Board with respect to the same commodity.

"'(5) The members of the Board may serve as such without regard to the provisions of sections 109 and 113 of the Criminal Code (18 U. S. C., secs. 198 and 203) or section 19 (e) of the Contract Settlement Act of 1944, except insofar as such sections may prohibit any such member from receiving compensation in respect of any particular matter which is within the jurisdiction of the Board.

"'(6) If the number of petitions filed with the Board should at any time become so great as to prevent the Board from promptly conducting hearings upon such petitions, the Board shall appoint such hearing commissioners as it deems necessary in order to expedite the transaction of its business. The Board may authorize one or more of the hearing commissioners so appointed to conduct the hearing upon any petition under this subsection and to exercise the authority of the Board with respect to such hearing. After a hearing conducted before a hearing commissioner, the commissioner shall make recommendations consistent with this subsection to the Board concerning its action with respect to the petition. If the Board approves such recommendations, it shall issue an order in conformity therewith. If the Board does not approve such recommendations, the Board may issue such order as it deems proper upon the record or may conduct a new hearing upon the petition before the Board.'

"SEC. 4. Section 2 (a) of the Emergency Price Control Act of 1942, as amended, is amended by adding at the end thereof the following new sentence: 'In administering the provisions of this subsection relating to the establishment of industry advisory committee, the Administrator, upon the request of a substantial portion of the industry in any region, shall promptly appoint a regional industry advisory committee for such region.'

"SEC. 5. Section 2 (b) of the Emergency Price Control Act of 1942, as amended, is amended by adding at the end thereof a new paragraph as follows:

"'After the date upon which this paragraph takes effect, the Administrator, when establishing rent ceilings on hotels or when passing upon applications for adjustments of rent ceilings on hotels, is authorized to take into consideration the distinction between transient hotels and residential or apartment hotels, including the difference in the investment, operation, expenses, and mechanical details of operation between the transient hotels and the residential and apartment hotels, and is directed to classify separately by regulation (1) transient hotels, (2) residential and apartment hotels, and (3) tourist courts, rooming houses, and boarding houses.'

"SEC. 6. (a) The last paragraph of section 2 (e) of the Emergency Price Control Act of 1942, as amended by the Stabilization Extension Act of 1944, shall not apply with respect to operations for the fiscal year ending June 30, 1947, of the Commodity Credit Corporation and the Reconstruction Finance Corporation: *Provided*, That with respect to such corporations and such operations, the making of subsidy payments and buying for resale at a loss shall be limited as follows:

"Payments and purchases may be made with respect to operations for the fiscal year ending June 30, 1947, which involve subsidies and anticipated losses as follows:

"(1) With respect to rubber produced in Latin America and Africa for which commitments were made before January 1, 1946, $31,000,000.

"(2) With respect to copper, lead, and zinc, in the form of premium price payments, $100,000,000: *Provided*, That (A) premiums shall be paid on ores mined or removed from mine dumps or tailing piles before July 1, 1947, though shipped and/or processed and marketed subsequently thereto; and that (B) the premium price plan for copper, lead, and zinc shall be extended until June 30, 1947, on terms not less favorable to the producer than heretofore and (i) adjustments shall be made to encourage exploration and development work, (ii) adequate allowances shall be made for depreciation and depletion, and (iii) all classes of premiums shall be noncancelable unless necessary in order to make individual adjustments of income to specific mines.

"(3) With respect to purchases by the Reconstruction Finance Corporation, of such tin ores and concentrates as it deems necessary to insure continued operation of the Texas City tin smelter.

"(4) With respect to noncrop programs, 1946 crop program operations and the 1947 crop program operations relating to sugar, flour, petroleum, petroleum products, and other domestic and imported materials and commodities, $869,000,000: *Provided*, That the operations authorized under this subparagraph (4) shall be progressively reduced, shall be terminated not later than April 1, 1947, and shall not cost more than $629,000,000 during the last six months of the calendar year 1946. Operations shall not be carried out under authority of this subparagraph (4) with respect to any commodity for any period during which maximum prices on such commodity are not in effect under the Emergency Price Control Act of 1942, as amended, or the Stabilization Act of 1942, as amended: *Provided*, That subsidies with respect to petroleum produced from stripper wells may be continued at not to exceed the existing rates. No new subsidy or purchase and sale operations shall be undertaken under the authority of this subparagraph (4), and no change shall be made in the basis of any existing operations for which funds are made available under this subparagraph which will increase the rate of any subsidy or the rate of loss incurred with respect to any commodity.

"(b) When any direct or indirect subsidy to an industry is reduced or terminated, any maximum price applicable to the product affected shall be correspondingly increased,

except in the case of transportation subsidies and differential subsidies to high-cost producers.

"(c) Where roll-back subsidies have previously been or presently are in effect, and have been discontinued, or shall hereafter be discontinued, the industries which have received such subsidies shall be permitted to increase their ceiling prices at least an amount equivalent to the amount of the discontinued roll-back subsidy. Such price increase shall become effective either upon discontinuance of the roll-back subsidy or upon passage of this Act, whichever date is the later. For the purposes of this paragraph, the term 'roll-back subsidies' means subsidy payments, or purchases and sales of a commodity at a loss by the Government of the United States (including any Government-owned or controlled corporation), or contracts therefor, which resulted directly or indirectly in the lowering of ceiling prices below the maximum price levels established by the Office of Price Administration prior to the institution of the subsidy payments or purchases and sales at a loss, or the execution of the contracts therefor, whichever date is the earlier.

"(d) Nothing in this section shall be construed to affect the provisions of Public Laws 30, 88, 164, and 328 of the Seventy-ninth Congress, or to prevent the use of the sums authorized in such laws to fulfill obligations incurred prior to July 1, 1946, with respect to operations prior to such date.

"(e) Nothwithstanding any of the foregoing provisions of this section 6, 1946 and 1947 crop program operations with respect to sugar, may, while maximum prices are in effect with respect to sugar, be continued until such crops are processed and distributed, and the cost of 1946 crop program operations with respect to sugar may be charged to the funds authorized by Public Law 30, Seventy-ninth Congress, as amended by Public Law 328, Seventy-ninth Congress. For the purpose of this section 6, no subsidy program operation on sugar shall be considered to be a new subsidy.

"(f) Nothing in this section shall be construed as a limitation upon operations authorized by the Veterans' Emergency Housing Act of 1946 (Public Law 388, Seventy-ninth Congress).

"SEC. 7. Section 2 (i) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"'(i) For the purposes of this Act and the Stabilization Act of 1942, as amended, fish and other sea foods shall be deemed to be agriculture commodities, and commodities processed or manufactured in whole or substantial part from fish or other sea foods shall be deemed to be manufactured in whole or substantial part from agricultural commodities: *Provided*, That the provisions of section 3 of the Stabilization Act of 1942, as amended, shall not be applicable with respect to fish and other sea foods and commodities processed or manufactured in whole or substantial part therefrom, but the maximum price established for any fish or sea food commodity or for any commodity processed or manufactured in whole or substantial part therefrom shall not be below the average price therefor in the year 1942.'

"SEC. 8. Section 2 (j) of the Emergency Price Control Act of 1942, as amended, is amended by inserting before the period at the end thereof a semicolon and the following: 'or (5) as authorizing any regulation or order of the Administrator to fix a quantity or percentage of any product which any seller may sell to any buyer.'

"SEC. 9. Section 2 (k) of the Emergency Price Control Act of 1942, as amended, is amended by inserting the words 'or any operator of any service establishment' after the words 'seller of goods at retail.'

"SEC. 10. Section 2 of the Emergency Price Control Act of 1942, as amended, is amended by adding at the end thereof the following new subsections:

"'(o) No maximum price shall be applicable to any item served in any restaurant or other eating establishment if such item consists in whole or major part of a commodity to which no maximum price is applicable with respect to sales to restaurants and other eating establishments, unless the maximum price of such item, when sold by such restaurant or other eating establishment, is determined, under the applicable maximum price regulation or order, by the addition of a customary margin to the acquisition cost of such item.

"'(p) After July 1, 1946, no maximum price regulation or order shall be issued or continued in effect requiring any seller to limit his sales by any weighted average price limitation based on his previous sales.

"'(q) In the case of any retail industry, the principal sales of which consisted during the calendar years 1939 to 1941, inclusive, of sales of a commodity or commodities the production or retail distribution of which has been reduced, for a period of three years beginning on or after March 2, 1942, by 75 per centum or more below such production or retail distribution for the calendar years 1939 to 1941, inclusive, as a result of the operation of any governmental regulation or restriction, the Administrator shall not, in establishing maximum prices under this section, reduce established peacetime retail trade discounts or mark-ups or dealer handling charges for any such commodity before the retail unit sales of such commodity for a period of six months shall have reached the average annual retail unit sales thereof for the calendar years 1939 to 1941, inclusive.

"'(r) In the case of any wholesale industry, the principal sales of which consisted during the calendar years 1939 to 1941, inclusive, of sales of a commodity or commodities, the production or wholesale distribution of which has been reduced for a period of three years beginning on or after March 2, 1942, by 75 per centum or more below such production or wholesale distribution for the calendar years 1939 to 1941, inclusive, as the result of the operation of any governmental regulation or restriction, the Administrator shall not in establishing maximum prices under this section reduce established wholesale trade discounts or normal wholesale mark-ups for any such commodity prevailing on March 2, 1942, before the wholesale unit sales of such commodity for a period of six months shall have reached the average annual wholesale unit sales thereof for the calendar years 1939 to 1941, inclusive.

"'(s) No maximum price regulation or order shall require the reduction of the established peacetime discounts or mark-ups for the sale of any manufactured or processed commodity (treating as a single commodity for the purposes of this paragraph all commodities in a line of related commodities which, for the purpose of establishing manufacturers' and processors' maximum prices, have been placed by the Office of Price Administration under a single regulation) if the retail, wholesale, or other distributive trade selling such commodity shows that the commodity constituted approximately one-half or more of the gross sales income of a majority of the persons engaged in such trade in 1945 and that, in the first quarter of 1946, the deliveries of such commodity to such distributive trade were less than 100 per centum of the deliveries thereof in the corresponding quarter of 1945.

"'(t) No maximum price applicable to any distributor, wholesaler, or retailer, shall be established or maintained for any commodity below a price which will return to such distributor, wholesaler, or retailer with respect to such commodity his January 1, 1946 discount or the sum of (1) total current cost of acquisition plus (2) his January 1, 1946 mark-up. The January 1, 1946 discount or mark-up shall be the percentage discount or percentage mark-up of such distributor, wholesaler, or retailer in effect on January 1, 1946.

"'(u) After the date upon which this subsection takes effect, no maximum price shall be established or maintained, under this Act or under any other provision of law, with respect to any new commodity when the Administrator upon application finds that its use, in the production, manufacturing, or processing of any commodity or commodities, without increasing the cost to the ultimate user, either increases the life or reduces the cost of production, manufacture, or processing of the commodity or commodities produced, manufactured or processed. As used in this subsection the term "new commodity" means a commodity which was not commercially or industrially available prior to January 30, 1942.'

"SEC. 11. The Emergency Price Control Act of 1942, as amended, is amended by inserting after section 5 thereof the following new section:

"'SEC. 6. (a) Notwithstanding the provisions of this Act or the Stabilization Act of 1942, as amended, but only after the procedure prescribed in subsection (d) hereof, no maximum price applicable to any producer, manufacturer, or processor shall be established or maintained for any product below the price of such producer, manufacturer, or processor for such product during the base period, increased by an amount equal to (or by a percentage factor which on a weighted average basis is equal to) the increase in the weighted average of the per unit costs of a reasonable number of typical producers, manufacturers, or processors with respect to such product since the base period, but if such product as now produced, manufactured, or processed has a different size, quality, or other characteristic, then with appropriate adjustments for such differences. This section shall not apply with respect to any new product which was not produced, manufactured, or processed in the base period, nor with respect to any product if the weighted average per unit costs of a reasonable number of typical producers, manufacturers, or processors with respect to such product has decreased since the base period. In determining costs for the purposes of this section, all costs shall be included which are considered as such under the established accounting practices of the industry.

"'(b) For the purposes of this section—

"'(1) in the case of any product with respect to which a maximum price established by a price schedule issued pursuant to any Executive order was in effect between October 1 and October 15, 1941, the "base period" shall be the two-week period immediately preceding the date upon which a maximum price so established first became effective with respect to such product; and

"'(2) in the case of any other product, the "base period" shall be the period between October 1 and October 15, 1941,

except that, if in the case of any product there were no prevailing prices during the period prescribed in clause (1) or (2), as the case may be, or the prevailing prices during such period were not generally representative because of abnormal or seasonal market conditions or other cause, the base period shall be the nearest period not exceeding 60 days, in which, in the judgment of the Administrator, the prevailing prices were substantially normal.

"'(c) As used in this section, "product" shall mean any major item, or any article different in character from other products of the industry; but all the styles, models, or other varieties of any such item or article shall be considered as one product.

"'(d) Any industry advisory committee may apply to the Administrator for the application to any product of the standard set forth in subsection (a) hereof, and shall present with the application comprehensive

evidence with relation to the increase in cost of such product from the base period to the date of such application. The Administrator shall consider the evidence so presented and all evidence otherwise available to him and shall, within sixty days after the receipt of such application, determine the increase in the weighted average of the per unit costs of a reasonable number of typical producers, manufacturers, or processors with respect to such product since the base period and announce the amount of such increase. Such increase in weighted average of the per unit costs may be determined and announced in terms of a specified sum per unit or in terms of a percentage factor, as the Administrator may elect. In determining such weighted average of the per unit costs of producers, manufacturers, or processors, it shall not be necessary to obtain detailed cost accounting figures from any producer, manufacturer, or processor who does not already have such figures or to obtain the usual detailed accounting reports from more than a reasonable number of typical producers, manufacturers, and processors, but the Administrator shall promptly reach a conclusion from the best evidence available to him. He shall exclude from his calculations any producers, manufacturers, or processors whose costs by reason of special conditions are completely abnormal. If the Administrator fails to determine and announce the increase in the weighted average of the per unit costs for any product within the sixty-day period prescribed in this subsection, the industry advisory committee concerned may petition the Emergency Court of Appeals, created pursuant to section 204, for relief; and such court shall have jurisdiction by appropriate order to require the Administrator to determine and announce such increase within such time, not to exceed thirty days, as may be fixed by the court. If the Administrator fails to determine and announce such increase within the time so fixed, no maximum price shall thereafter be applicable with respect to any sale of such product by any seller.

"'(e) Whenever the Administrator has announced the increase in the weighted average of the per unit costs for any product under subsection (d), it shall be lawful for any producer, manufacturer, or processor to sell such product at the price per unit he charged in the base period, plus the increase per unit so announced by the Administrator, with appropriate adjustments for differences in size, quality, or other characteristics.

"'(f) Notwithstanding the foregoing provisions of this section, in the case of any agricultural commodity, the base period shall be the calendar year 1941, and in lieu of computing the maximum prices required or permitted by this section by adding the increase in the weighted average of per unit costs to the base period prices of particular producers, such maximum prices shall be computed by adding such increase to the average 1941 price for such agricultural commodity (with appropriate adjustments for grade location, and seasonal differentials) as determined and announced by the Secretary of Agriculture.

"'(g) The provisions of this section shall not apply with respect to any maximum price applicable to manufacturers or processors in the case of products made in whole or major part from cotton or cotton yarn or wool or wool yarn.'

"SEC. 12. (a) The second sentence of section 205 (e) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows: 'In any action under this subsection, the seller shall be liable for reasonable attorney's fees and costs as determined by the court, plus whichever of the following sums is greater: (1) Such amount not more than three times the amount of the overcharge, or the overcharges, upon which the action is based as the court in its discretion may determine, or (2) an amount not less than $25 nor more than $50, as the court in its discretion may determine: *Provided, however,* That such amount shall be the amount of the overcharge or overcharges if the defendant proves that the violation of the regulation, order, or price schedule in question was neither willful nor the result of failure to take practicable precautions against the occurrence of the violation.'

"(b) Section 205 (e) of the Emergency Price Control Act of 1942, as amended, is amended by adding at the end thereof the following new paragraphs:

"'The Administrator may not institute any action under this subsection on behalf of the United States, or, if such action has been instituted, the Administrator shall withdraw the same—

"'(1) if the violation arose because the person selling the commodity acted upon and in accordance with the written advice and instructions of the Administrator or any regional administrator or district director of the Office of Price Administration; or

"'(2) if the violation arose out of the sale of a commodity to any agency of the Government, or to any public housing authority whose operations are supervised or financed in whole or in part by any agency of the Government, and such sale was made pursuant to the lowest bid made in response to an invitation for competitive bids.

"'The Administrator shall not institute or maintain any enforcement action under this subsection against any manufacturer of apparel items where the Administrator shall determine (1) that the transactions on which such proceeding is based consisted of the manufacturer's selling such an item at his published March 1942 price list prices instead of his March 1942 delivered prices, and (2) that the seller's customary pricing patterns for related apparel items would be distorted by a requirement that his ceilings be the March 1942 delivered prices. The Administrator's determinations under this paragraph shall be subject to review by the Emergency Court of Appeals in accordance with sections 203 and 204.'

"SEC. 13. The third sentence of paragraph (2) of section 205 (f) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows: 'If any such court finds that such person has violated any of the provisions of such license, regulation, order, price schedule, or requirement after the receipt of the warning notice, such court shall issue an order suspending the license to the extent that it authorizes such person to sell the commodity or commodities in connection with which the violation has occurred, or to the extent that it authorizes such person to sell any commodity or commodities with respect to which a regulation or order issued under section 2, or a price schedule effective in accordance with the provisions of section 206, is applicable; but no suspension shall be for a period of more than twelve months, and if the defendant proves that the violation in question was neither willful nor the result of failure to take practicable precautions against the occurrence of the violation, then in that event no suspension shall be ordered or directed.'

"SEC. 14. Section 3 of the Stabilization Act of 1942, as amended, is amended by adding at the end thereof the following new paragraph:

"'On and after the date of the enactment of this paragraph, it shall be unlawful to establish, or maintain, any maximum price applicable to manufacturers or processors, for any major item in the case of products made in whole or major part from cotton or cotton yarn or wool or wool yarn, unless the maximum price for such major item is fixed and maintained at not less than the sum of the following:

"'(1) The cotton or wool cost (which must be computed at not less than the parity price or the current cost, whichever is greater, of the grade and staple of cotton or wool used in such item, delivered at the mill);

"'(2) A weighted average of mill conversion costs; and

"'(3) A reasonable profit (which shall not be less than a weighted average profit for each unit of such item equal to the weighted average of the profit earned on an equivalent unit of such item during the period 1939 to 1941, both inclusive).'

"SEC. 15. The Secretary of Agriculture, through the Commodity Credit Corporation or otherwise, is hereby authorized to allocate feed which he controls to feeders of livestock and poultry in domestic areas which he may determine to be in an emergency shortage condition with respect to animal and poultry feed.

"SEC. 16. (a) In the event producers of wheat are required by an order issued pursuant to the Second War Powers Act, 1942, as amended, to sell all or any part of wheat delivered to an elevator prior to April 1, 1947, the Commodity Credit Corporation shall offer to purchase the wheat so required to be sold at a price determined as follows: The purchase price paid for the wheat shall be the market price at the point of delivery as of any date the producer may elect between the date of delivery and March 31, 1947, inclusive: *Provided, however,* That only one election may be made for each lot of wheat: *And provided further,* That the producer may not elect a date prior to the date on which he mails a written notice to Commodity Credit Corporation of his election. In the event the producer does not notify Commodity Credit Corporation in writing by March 31, 1947, of his election of a date for determining the market price, such date shall be deemed to be March 31, 1947.

"(b) Any producer of wheat who, prior to the date of enactment of this Act, has sold any wheat pursuant to the requirements of paragraph (ee) (1) of War Food Order Numbered 144, may, at any time within thirty days after the date of enactment of this Act, pay to the Commodity Credit Corporation a sum equal to the amount for which he sold such wheat. Any producer paying any such sum to the Commodity Credit Corporation shall be deemed to have sold and delivered to the Commodity Credit Corporation as of the date he pays such sum a quantity of wheat equal in grade and quality to the quantity sold by him pursuant to such requirements and the purchase price to be paid to him for such wheat shall be determined in the same manner as in the case of a sale of wheat to the Commodity Credit Corporation pursuant to the provisions of subsection (a) of this section.

"SEC. 17. This Act may be cited as the 'Price Control Extension Act of 1946.'

"SEC. 18. The provisions of this Act shall take effect upon the date of its enactment; but insofar as such provisions require any change in any maximum price, such provisions shall not be deemed to require such change to be made before the thirtieth day following the date of enactment of this Act."

And the Senate agree to the same.

ROBERT F. WAGNER,
ALBEN W. BARKLEY,
SHERIDAN DOWNEY,
CHAS. W. TOBEY,
Managers on the Part of the Senate.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
WM. B. BARRY,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
Managers on the Part of the House.

RETURN OF PUBLIC EMPLOYMENT OFFICES TO STATE OPERATION

The Senate resumed consideration of the bill (H. R. 4437) to provide for the return of public employment offices to State operation, to amend the act of

Congress approved June 6, 1933 (48 Stat. 113), and for other purposes.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next committee amendment was, on page 16, in line 13, after the words "detail of", to strike out "such employees" and insert "the employees referred to in paragraph (1) (a) of this section."

The amendment was agreed to.

Mr. BALL. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BALL. Was the language of the committee amendment beginning in line 24, at the bottom of page 15, with the word "or", and ending in line 12 on page 16 with the word "section", adopted?

The PRESIDING OFFICER. That amendment was agreed to.

The clerk will state the next committee amendment.

The next amendment was, on page 16, in line 15, after the word "following", to strike out "proviso: *Provided further,* That so" and insert "provisions. So."

The amendment was agreed to.

The next amendment was, on the same page, in line 18 after the word "necessary", to strike out "are authorized to be made" and insert "shall be."

The amendment was agreed to.

The next amendment was, on the same page, in line 22, after the words "prior to the", to strike out "enactment of this act" and insert "effective date of the transfer of the employment offices to the State under this act)."

The amendment was agreed to.

The next amendment was, on page 17, in line 3, after the words "opportunity to", to strike out "qualify" and insert "acquire eligibility."

The amendment was agreed to.

The next amendment was, on the same page, in line 5, after the word "this", to strike out "paragraph" and insert "section."

The amendment was agreed to.

The next amendment was, on the same page, in line 11, after the word "amended", to insert "by this act."

Mr. DONNELL. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. Is it in order at this time to offer an amendment to subdivision (2) of section 301?

The PRESIDING OFFICER. Not until the committee amendments have been completed. It will be in order to offer an amendment at that time.

The question is on agreeing to the committee amendment on page 17, line 11.

The amendment was agreed to.

The next amendment was, on page 17, after line 24, to insert the following:

SEC. 303. The Civil Service Retirement Act approved May 29, 1930, as amended, is amended by inserting after the first paragraph of section 5 thereof a new paragraph as follows:

"Service rendered with a State employment security agency between June 6, 1933, and January 1, 1942, by any person who was appointed to a position in the Social Security Board under Executive Order 8990 of December 23, 1941, on or after January 1, 1942, shall for the purposes of this act, be considered service as an employee of the United States, subject to the following limitations: This paragraph shall not apply with respect to any period of such service rendered by any individual with the State employment security agency of any State (1) unless he shall have served continuously as an officer or employee of the United States for at least 1 year after December 31, 1941 (except that this limitation shall not apply in the case of any individual automatically separated from the service under section 2 of this act prior to the date of enactment of this paragraph); (2) if he shall have returned to employment with such State at any time prior to the end of 1 year after the return to State operation of the employment offices in such State; (3) if such period of such service is used in computing a retirement or similar benefit payable in whole or in part out of funds provided by a State or political subdivision under a retirement system. The annuity of any person to whom this paragraph applies and who shall have been retired under the provisions of this act, shall be recomputed whenever such recomputation is necessary to give effect to the provisions of this paragraph. Notwithstanding any other provision of this act, any person who was appointed to a position in the Social Security Board under Executive Order 8990 of December 23, 1941, and who shall have returned to employment with the State at any time prior to the end of 1 year after the return to State operation of the employment offices in such State, shall, if he so elects, be paid a refund of the total amount of his deductions and deposits under this act, together with interest to the date of termination of his service with the Federal Government; and such person shall not receive any annuity benefits under this act based on the service covered by the refund unless he is subsequently reinstated, retransferred, or reappointed to a position coming within the purview of this act and redeposits all moneys, except voluntary contributions, so refunded to him, together with interest at 4 per centum compounded on December 31 of each year, except that interest shall not be required covering any period of separation from the service. As used in this paragraph, the term 'State employment security agency' means an agency to which the Federal Government has made grant for administrative expenses for the administration of State unemployment compensation laws or State employment services, under the act entitled 'An act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes', approved June 6, 1933, as amended (or under title III of the Social Security Act, as amended), and the term 'State' includes Alaska and Hawaii."

The PRESIDING OFFICER. That is all one committee amendment. Without objection, the amendment is agreed to.

The next amendment was, on page 20, after line 7, to strike out title IV, as follows:

TITLE IV

SEC. 401. For the purpose of determining what officer or agency of the Government is to perform any of the functions of the Secretary of Labor under this act and the act of June 6, 1933, as amended and supplemented, after the termination of title I of the First War Powers Act, 1941, the vesting by this act and by the act of June 6, 1933, as amended and supplemented, of functions in the Secretary of Labor shall have the same effect as if constituting a transfer by the President under title I of the First War Powers Act, 1941, of functions of the Social Security Board to the Secretary of Labor.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment.

Mr. DONNELL. Mr. President, on page 17, line 7, at the end thereof, I move to strike out the period and insert the following: "; or (3) has arranged to comply with (1) or (2) above to the extent permitted under the law of such State."

Mr. President, the basis of this amendment is my understanding that at least in one State—and it may well be in others—there are presently existing provisions of law which are contrary to a portion of the committee amendment thus far adopted. The particular illustration I have before me is in the State of Massachusetts. There is a statute in Massachusetts, namely, chapter 535, approved June 12, 1943, which contains this language:

All employees, except as otherwise provided in this section, in the division of employment security who had been appointed on a permanent basis, including employees who had not completed their probationary period, and whose employment in the service of the Commonwealth was terminated on December 31, 1941, by reason of Executive Order No. 8990, issued by the President of the United States on December 23, 1941, and who, for the purpose of service during the existing state of war, were inducted into the United States Employment Service, shall be reinstated in the division of employment security or its successor, providing the offices or positions formerly held by them are reestablished in the division of employment security or its successor.

Mr. President, as I understand the effect of subdivision (1) in section 301, it is that a person now a Federal employee may not be separated from the service except for one of the three grounds referred to a while ago in the course of the debate.

In the State of Massachusetts it would seem from what I have thus far read from chapter 535 of the laws of Massachusetts that the returning veteran would under the law of Massachusetts have an absolute right to reinstatement. Therefore, the amendment which I propose is, in effect, that the State must, in its plan, either make provision for the retention in the Statewide system, as provided in subsection (1), or request the detail of such employee, as provided in subsection (2), or arrange to comply with subsection (1) or subsection (2) to the extent permitted under the law of such State. That is the reason for offering this amendment, and I respectfully move its adoption.

Mr. TUNNELL. Mr. President, I should like to ask the Senator to read his amendment again.

Mr. DONNELL. On page 17, at the end of line 7, it is proposed to strike out the period, and insert a semicolon and the following language:

or (3) has arranged to comply with (1) or (2) above to the extent permitted under the law of such State.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. DONNELL].

Mr. TUNNELL. Mr. President, the committee has had no opportunity to examine the amendment; but I am advised that the effect would be to nullify subsection (1) and (2).

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri.

The amendment was rejected.

Mr. MORSE. Mr. President, I should like to ask the Senator from Minnesota [Mr. BALL] a question. Earlier in the day I was called from the Chamber for a conference. Apparently while I was absent action was taken on section 3, on page 5, line 18, with regard to maintenance of a farm placement service. I should like to ask the Senator from Minnesota if that means that the powers of the Secretary of Agriculture over farm labor, as they have existed under the Wagner-Peyser Act, are now to be transferred to the Secretary of Labor.

Mr. BALL. That language is now in the Wagner-Peyser Act, and has been ever since 1933. What happened was that during the war the Appropriations Committee recommended special legislation placing the farm placement service in the Department of Agriculture. As I understand, that legislation in the appropriation expires on January 1, 1947. However, I believe that a joint resolution extending it through the next fiscal year is to be introduced in both Houses before we adjourn.

Early in the next session we hope to arrive at some kind of a permanent solution to the farm placement problem. As the Senator perhaps knows, in a number of States the Secretary of Agriculture is now contracting with the United States Employment Service to handle some or all of the farm placement functions. The situation is pretty much confused. We wanted to preserve in this act the basic authority to maintain a farm placement service until we dispose of the question by permanent legislation. Otherwise there will be no legislative authority.

Mr. MORSE. In order that there may be no misunderstanding I should like to ask the Senator one further question. Am I correct in understanding that if this bill passes, containing the language in lines 18 and 19 on page 5 with reference to the maintenance of a farm placement service, the present administrative function of the Secretary of Agriculture with respect to farm labor will be continued?

Mr. BALL. It will remain unchanged. That is my understanding and interpretation.

Mr. MORSE. I think it is important to have that understanding for legal interpretation of the bill. I am perfectly willing to accept that understanding for the present and not press for further changes in the law until, as the Senator from Minnesota has suggested, we can take up a permanent measure in regard to a placement service for farm workers. With that understanding, all I ask permission to do at the present time is to insert in the RECORD as a part of my remarks a letter which I have received from the Oregon State Farmers' Association on this point, in which is set out clear evidence that the farmers of the Nation would consider it very disruptive to have the present powers of the Secretary of Agriculture transferred, as of now, to the Secretary of Labor. But with the assurance of the Senator from Minnesota that that would not be the result of the bill in its present form, I will not press the question further. I offer the letter, with the statement that I wish to be associated with the arguments set forth in the letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OREGON STATE FARMERS' ASSOCIATION,
Portland, Oreg., June 25, 1946.

Hon. WAYNE MORSE,
United States Senate.

MY DEAR SENATOR: Pursuant to my conversation with you today, I would like to submit the following information.

A national conference which has been in session during the past week is composed of about 50 men representing agricultural interests in 36 States. They have come together for the purpose of attempting to acquaint executive officials of the Department of Agriculture, Senators, and Congressmen with the desires of agriculture with respect to agricultural labor, both for the present emergency and for the long-range program to follow. These two problems are closely tied together and it is difficult to consider them as separate problems.

As you will recall, last fall when representatives from various groups of agriculture obtained reenactment of Public Law No. 229 for the continuation of the imported labor program for the year 1946, commitment was made to Congress that those groups represented at that time would attempt to get a wider representation and make known to Congress during the fall of 1946 their desires for a long-range program.

The desire by the Members of Congress to adjourn this present session in July disrupted plans of agriculture with regard to the presentation of a farm-labor program this fall. It then became the best judgment of this group that since they wish very much to hold the nucleus of the present program for consideration in the long-range program, and in view of the fact that liquidation of the present program by December 31, 1946, would require the Labor Branch of the Department of Agriculture to commence repatriation of foreign workers early in the fall and at the same time start liquidation of all property, housing and camps held by the Labor Branch. This would remove workers and housing facilities from most areas during the peak of harvest and in some areas before the harvest actually began.

In view of these facts, it was felt it would be necessary to ask Congress to extend the authority of the present Labor Branch of the Department of Agriculture to June 30, 1947. We requested Congressman FLANNAGAN'S committee to consider the request, and, as a result, Mr. FLANNAGAN introduced a continuing resolution (H. R. 6828). This bill is now on the calendar of the House. At the same time, Congressman CANNON'S committee requested the Department of Agriculture to submit a budget for this 6-month period (January 1 through June 30, 1947).

The conference has appointed a committee with representatives from all sections of the United States to request consideration of all States interested to submit proposals for such permanent domestic labor program, and this committee will meet on September 9, 1946, to combine the proposals from the various sections of the United States into a proposal to be laid before Congress for its consideration.

With regard to this permanent program, agriculture is unanimous that they do not wish to have agricultural labor transferred out of the Department of Agriculture, but are very desirous of maintaining an agricultural labor program in the Department of Agriculture because of the following reasons:

1. Previous to the war, under the various State employment service organizations, agriculture was relegated to a back-seat position. Industry was consistently and constantly given the best workers and no referrals to agriculture were made until industries' needs were met or successful placement could not be made, which resulted in agriculture receiving a very low-grade type of worker, if at all.

2. We feel that a domestic labor program properly coordinating the needs of the agricultural-producing areas of the United States to meet planting, cultivation, and harvesting can and will result in a better wage and higher earnings, with the resultant raising of annual incomes of agricultural workers which will assist materially in raising the type of worker attracted to agriculture.

3. The type of direction and the thought given by the Labor Department is slanted entirely toward the organized industrial worker, which is a very different concept of management and direction than that required in agriculture and which we believe is not the type that can in any way be imposed upon agricultural labor to any degree of success, either to the worker or the employer.

4. Likewise, it is proposed to transfer the authority of our agricultural labor camps to the supervision of the Federal Housing Administration. As you know, Senator, their authority is wide and is to furnish housing for all types of people and workers, and since many of our agricultural farm labor camps are not used by agricultural laborers a small portion of each year, we believe that under the authority of Federal Housing Administration they would fill these camps during the slack periods with industrial workers with the result that in very few years these camps would all be used only by urban populations,

For these reasons we seek your assistance in preventing the passage of House Joint Resolution 4437 with the clause beginning on page 5, line 18, continuing for four lines thereafter, which transfers all this activity to the Department of Labor, giving additional broad powers never possessed by the Secretary of Agriculture to the Secretary of Labor. We are very fearful of the consequences of the Secretary of Labor having any authority over agricultural labor, much less the broadened and increased powers in this amendment.

We appreciate your indulgence in considering our problem and respectfully seek your continued support of our efforts in seeking a satisfactory solution to the problems of agriculture.

If any further information is desired do not hesitate to call on me.

Sincerely yours,

WILLIAM H. TOLBERT,
Executive Secretary, Oregon State Farmers' Association.

Mr. DONNELL. Mr. President, I offer the amendment which I send to the desk and ask to have stated. Before offering it, I should like to perfect it by correcting a slight error. In line 7 of the amendment appears the figure "491." It should be "49", followed by a lower-case letter "l."

The PRESIDING OFFICER. The amendment will be modified accordingly. The clerk will state the amendment offered by the Senator from Missouri.

The LEGISLATIVE CLERK. On page 1, after line 3, it is proposed to strike out down to and including line 19 on page 14, being titles I and II, and in lieu thereof to insert the following:

The Secretary of Labor shall provide for the return to State operation not later than December 31, 1946, or such earlier date as he may deem feasible, of public employment offices in an orderly and expeditious manner, which offices shall thereafter be operated

under and in accordance with the provisions of the act of June 6, 1933, as amended, to January 1, 1942 (29 U. S. C. 49–491): *Provided*, That no State shall be required to make any appropriation as provided in section 5 (a) of said act of June 6, 1933, as amended, to January 1, 1942, prior to July 1, 1948.

Mr. DONNELL. Mr. President, the committee amendment, as it is now before the Senate, consists of three titles, titles I, II, and III. The amendment which I have proposed undertakes to strike out title I and title II, and to substitute the language set forth in the amendment, which has been read by the clerk.

It will be observed that this amendment directs the Secretary of Labor to "provide for the return to State operation not later than December 31, 1946, or such earlier date as he may deem feasible, of public employment offices in an orderly and expeditious manner, which offices shall thereafter be operated under and in accordance with the provisions of the act of June 6, 1933, as amended, to January 1, 1942 * * *: *Provided*, That no State shall be required to make any appropriation as provided in section 5 (a) of said act of June 6, 1933, as amended, to January 1, 1942, prior to July 1, 1948."

This amendment proceeds upon the fundamental proposition that the Federal Government should return to the States the employment-service facilities in the condition in which they were received, and subject to the law under which they were received, except only for such necessary incidental transitional provisions as may be required.

The act which is referred to in the amendment, the act of June 6, 1933, is the Wagner-Peyser Act. It will be observed that the amendment proposes that the services, after being returned to the States not later than December 31, 1946, shall be operated under and in accordance with the provisions of the Wagner-Peyser Act, as it was amended to January 1, 1942. January 1, 1942, was the date on which the various services were taken over by the Federal Government.

Yesterday I spoke at some length in regard to the theory upon which this amendment was predicated, and I shall endeavor to make my remarks as brief as possible.

The turning over of these facilities to the Federal Government occurred pursuant to a telegraphic message sent by the President of the United States on December 19, 1941, to the Governors of the respective States. That message was read yesterday to the Senate. As Senators may recall, it refers to the fact that the country was actually at war, "and it is more than ever necessary that we utilize to the fullest possible extent all the manpower and womanpower of this country to increase our production of war materials."

The message further referred to the fact that "this result can be accomplished by centralizing recruiting work into one agency." Pursuant to the request of the President, thus communicated to the Governors of the several States, each and every Governor complied with the request and turned over the State facilities to the United States Government through telegrams or such other messages as were deemed appropriate by the Governors.

I invite attention to the fact that the Governors of the several States have uniformly understood that the transaction by which these facilities were turned over to the Federal Government constituted not a gift, not an irrevocable transfer of title, but a loan. Yesterday I called attention to a number of telegrams from Governors of various States with respect to this transaction, and with respect to their views as to the conditions under which the facilities should be returned to the respective States.

I also called attention to the fact that the Federal Government itself considered the transaction to be a loan. It was pointed out yesterday that the Senate has passed upon this very proposition several times. On page 24 of Public Law No. 124, approved by the President on July 3, 1945, the following provision appears:

> That the Employment Service facilities, property, and personnel loaned by the States to the United States Employment Service, shall be returned to the States not later than 3 months after the termination of hostilities in the war with Japan as determined by Presidential proclamation or by concurrent resolution of Congress.

As pointed out yesterday, not only was that act passed by the Congress, but it was approved by the President. Thus, both the executive and the legislative departments of the Government recognized the fact that the transaction by which the facilities were turned over to the United States was a loan.

I also pointed out that in the general Mobilization and Reconversion Act of 1944 the Senate used the following language:

> The Employment Service facilities, property, and personnel loaned by the States to the United States Employment Service, shall be returned to the States not later than 90 days after the enactment of this act.

Then, Mr. President, in this connection I pointed out finally, on yesterday, that by the conference report which relates to House bill 4407, the so-called rescission bill, the managers appointed on the part of the House of Representatives used the following language:

> No. 21, relating to the United States Employment Service: Accepts the Senate provision for returning to the States the employment services which were loaned to the Federal Government at the beginning of 1942, pursuant to the request of the President, but provides for an outside return date of 100 days after the enactment of the bill, instead of 120 days, as the Senate amendment proposed.

So Mr. President, I take it that there can be no question that the transaction was a loan; and by reason of that fact, there follows without question the legal conclusion that the property should be returned to the owners, the States, in substantially the same situation and certainly under the same laws as were applicable at the time when it was taken over by the Federal Government.

I shall not undertake this afternoon to read again the numerous telegrams which were presented here yesterday from the governors of the various States of the United States. Those telegrams reflect these views. However, I should like to mention briefly the fact that the committee amendment to House bill 4437 does not constitute a return of these facilities to the States in the condition in which they were received or under the law under which those facilities were received by the United States Government. There are a number of very important differences between the conditions imposed by House bill 4437 and the conditions under which the facilities were received by the Federal Government. For instance, subsection (b) of section 9, on page 12 of the bill, authorizes the Secretary of Labor, in the event of failure on the part of the States to be eligible for funds, thereupon to step in and operate the system for the State during the period prescribed; and by the request of the governor of the State, as has been pointed out on the floor of the Senate, that may be an indefinite period. That provision is a very marked and very material difference from the provisions of the Wagner-Peyser Act as amended up to January 1, 1942. It will be remembered that in the latter measure, namely, the one which was in existence at the time when these facilities were taken over by the Federal Government, there was no provision whatsoever—except a temporary provision set forth therein, which has been referred to today—by which the Federal Government could take posession of the facilities and could operate them. Section 9 of the Wagner-Peyser Act provided, not for a taking over and possession, but for a revocation of existing certificates under which moneys were to be paid to the States by the Federal Government in the event of a violation of the plans which had been approved under the act. So, Mr. President, House bill 4437, in this very important respect, which has been debated at such length this afternoon in the Senate, differs very materially from the law as it existed at the time when these facilities were taken over on January 1, 1942.

Mr. President, I have referred to plans, and I used the word "plans." That word is taken from the Wagner-Peyser Act. Here again we find a highly important difference between the provisions of House bill 4437 and the provisions of the Wagner-Peyser Act. The Wagner-Peyser Act in section 8 provides that any State desiring to receive the benefits of the act shall, by the agency designated to cooperate with the United States Employment Service, submit to the Director detailed plans for carrying out the provisions of the act within such State. It further provides that if such plans are in conformity with the provisions of the act and are reasonably appropriate and adequate to carry out its purposes, they shall be approved by the Director, and due notice of the approval shall be given to the State agency. Then the language with reference to the power of the Director of the bureau in the Department of Labor to revoke existing certificates or to withhold further certificates by which money shall be paid provides that the power of revocation shall apply whenever he shall determine, as to any State, that the cooperating State agency "has

not properly expended the money paid to it or the moneys herein required to be appropriated by said State, in accordance with plans approved under this act." I emphasize the latter provision.

Mr. President, it is true that House bill 4437, as a result of one of the committee amendments, does provide an option on the part of the agency in each State to submit to the Secretary detailed plans for carrying out the provisions of this act, and does provide that if such plans are in conformity with the provisions of this act and are reasonable appropriate and adequate to carry out its purposes they shall be approved by the Secretary and due notice of such approval shall be given to the State agency. But, Mr. President, when House bill 4437, as it is now before the Senate, and as reported by the committee, comes down to the subject of the sanctions to be imposed for violation by the State of some obligations on its part, all reference to the plans is eliminated.

In the Wagner-Peyser Act a variation from the plans which had been approved under the act was the decisive feature under which the director was authorized to revoke certificates or to refuse to give future certificates, but under House bill 4437, when we come to the sanctions provided under the bill, instead of a reference to plans, reference is made to the rules and regulations which shall have been prescribed by the Secretary of Labor. It is true that in the Wagner-Peyser Act there is a very clear reference, as I pointed out twice yesterday, to rules and regulations, and an obligation is vested in the director of the bureau to promulgate such rules and regulations. But when it comes to the important phase of the sanctions under the bill the Wagner-Peyser Act refers, as I have indicated, to the plans which have been submitted and approved by the State agency, whereas House bill 4437, as now before the Senate, does not refer to the plans, but refers to the rules and regulations which shall have been promulgated as provided in the bill.

So, Mr. President, not only in the case of subsection (b) of section 9, on page 12, but in regard to the matter of plans, as distinguished from rules and regulations which may be changed from day to day or from week to week, there is a very material difference between the law as it stood on January 1, 1942, and the law which would be created by House bill 4437 if the amendment which I have submitted is not adopted.

There are other provisions which constitute differences, but I shall not undertake to detail all of them. However, I should like to mention an important one. House bill 4437 undertakes to place in the Department of Labor—and would do so if the bill is enacted into law—the operation of the Federal facilities in connection with the employment office feature of the measure, whereas under the law as it existed on January 1, 1942, due to the fact that the Wagner-Peyser Act had been amended by the Reorganization Act of 1939, the power of administration of the facilities, insofar as the Federal Government was concerned, was vested in the Social Security Board. According to the very best advice I have been able to secure, in the event that House bill 4437 is enacted into law, it will place in the Department of Labor the management of these facilities and the control of the facilities, insofar as the Federal Government is concerned, as distinguished from the Social Security Board, under the jurisdiction of which it existed on January 1, 1942.

Mr. President, I also call attention to the fact that while, today, the work of this particular branch of our governmental agency is in the Department of Labor, nevertheless, it is solely by reason of the fact that there exist directives issued by the President under the War Powers Act that that is true; and so soon as the War Powers Act terminates, as I understand the situation, the further administration by the Federal Government relative to the Employment Service will automatically revert, not to the Department of Labor, but to the Social Security Board, under the legislation existing on January 1, 1942.

Mr. President, I invite attention to these illustrative and very important instances of variation between the law as it existed on January 1, 1942, and as it would be created by House bill 4437 as reported by the committee and as now pending before the Senate.

I return to the statement which I made at the outset, namely, that my amendment is based on the theory that the Federal Government should return to the respective States the facilities in the condition in which it received them, subject only to such necessary incidental provisions as may be required in order to bring about the transfer to the States of the particular facilities in question.

Title III of this bill is not affected by my amendment. It is, of course, obvious that some provision should be made for transferring to the States the Federal employees who are today working in these services. Title III, with the various amendments which have today been agreed to, takes care of that situation. I have no quarrel with title III, although I disagree with certain of its contents. The ultimate general effect of it is to take care of the incidental matters to which I have referred. However, I do most strenuously object to titles I and II, because they violate the principle that these facilities should be returned to the States in the same condition as they were in when they were received by the Federal Government, at the request of the President of the United States, on January 1, 1942.

In the amendment which I have offered, Mr. President, there is a proviso that no State shall be required to make any appropriation as provided in section 5 (a) of the Wagner-Peyser Act of June 6, 1933, as amended to January 1, 1942, prior to July 1, 1948. The purpose of the proviso is this: The various States have been hoping, and governors in their meetings at Hershey, Pa., and at Mackinac Island have been putting themselves on record as being in favor of returning the facilities to the States. However, they have been notified of no date on which the facilities are to be returned. Thus it is that the States cannot be expected as of this date to have made provision by way of appropriations for their respective portions of the funds which would be necessary in order to take care of these facilities.

Moreover, Mr. President, it has been pointed out on numerous occasions during the debate on this bill that, in fact, the Federal Government has been providing almost 100 percent of the money. Prior to January 1, 1942, the Federal Government was paying approximately from 90 to 95 percent of the expense of the operation of the employment services in the various States. I need not reiterate the explanation of that situation which the Senator from Ohio [Mr. TAFT] has made so clearly upon the floor in the course of the debate. The fact is, as I have already indicated, that on January 1, 1942, the United States was paying approximately all the cost of administering the employment services.

Mr. President, the proposed exemption of the obligation of the States to make any appropriation as required in section 5 of the Wagner-Peyser Act is occasioned, therefore, first by reason of the fact that the States have had no notice of any kind with reference to when they are to receive back the facilities which the Government took over; and, in the second place, and as a matter of practical operation, the Federal Government had already been paying almost all the expenses until January 1, 1942.

So, Mr. President, under the transaction as it took place and induced, as it was, by the urgent request of the President of the United States, and accepted, as it was, by practically all the governors of the States of the Union, and accompanied, as it was, by a belief on the part of the governors that the transaction merely involved a loan recognized by the Federal Government as being a loan, I undertake to say that there is a moral obligation on the part of the Federal Government to turn back to the States these various services in accordance with the situation which existed on January 1, 1942, subject only to the exceptions set forth in title 3 of the bill.

Mr. President, I earnestly urge adoption of the amendment for the reasons which I have indicated. In my remarks yesterday I indicated much more fully than I have today an earnest advocacy of the principles, as I understand them, which have been asserted by the governors of our various States. They have been convinced that this country owes an obligation, based on moral integrity, to the States of the Union to return these services to the States at the earliest practicable date, and under the conditions under which they were surrendered on January 1, 1942. If we should pass House bill 4437 in the form in which it was reported to the Senate by the committee, and as it has been amended on the floor, we could not comply with the moral obligation, as I see it, which the States are entitled to have us comply with.

So, Mr. President, I urge the adoption of the amendment, and on the question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TUNNELL. Mr. President, we have devoted a great deal of time to the many questions which are involved in the pending bill. The amendment of the Senator

from Missouri would wipe out all but four lines of the 14 pages comprising the bill. Many of the questions which have been raised have been determined. The amendment of the Senator from Missouri would entirely reverse the decision of the Senate on those matters.

I wish to invite attention to one thing in particular. The amendment would wipe out the present division of funds as between the various States. In Arizona it would reduce the amount of the funds by 43 percent. In California it would reduce the amount of the funds by 45 percent. In Colorado it would reduce the amount of the funds by 15 percent. In Connecticut it would reduce the amount of the funds by 4 percent. In Delaware it would reduce the amount of the funds by 12 percent. In the District of Columbia it would reduce the amount of the funds by 35 percent. In Florida it would reduce the amount of the funds by 11 percent. In Illinois it would reduce the amount of the funds by 6 percent. In Maryland it would reduce the amount of the funds by 13 percent. In Michigan it would reduce the amount of the funds by 30 percent. In Minnesota it would reduce the amount of the funds by 8 percent. In Nevada it would reduce the amount of the funds by 69 percent. In New Hampshire it would reduce the amount of the funds by 25 percent. In New York it would reduce the amount of the funds by 1 percent. In Ohio it would reduce the amount of the funds by 13 percent. In Oregon it would reduce the amount of the funds by 42 percent. In Rhode Island it would reduce the amount of the funds by 37 percent. In Utah it would reduce the amount of the funds by 35 percent. In Vermont it would reduce the amount of the funds by 19 percent. In the State of Washington it would reduce the amount of the funds by 36 percent. In Wyoming it would reduce the amount of the funds by 16 percent. I may say, incidentally, that in Missouri it would increase the amount of the funds. [Laughter.]

Mr. MORSE. Mr. President, did the Senator read any figures with respect to Oregon?

Mr. TUNNELL. In Oregon the amount of the funds would be reduced by 42 percent.

Mr. MORSE. Does the Senator mean that, in view of the great increase which has taken place in our war population, Oregon would lose only 42 percent?

Mr. TUNNELL. According to one method or another, the increase in population should be greater.

I invite attention to the fact that this amendment has been offered without previous consideration of its effects on the various States, and it indicates the danger of agreeing to such haphazard amendments as those which are being offered without having been given previous consideration.

I invite further attention to the fact that the amendment would make no provision whatever for a continuation of the services of these various organizations at a time when the State refused or failed to comply with the regulations prescribed by the Secretary of Labor. Under those conditions the effect of the bill, in the form in which it was reported by the committee, would be destroyed. Practically all such provisions would be wiped out and we would embark on an uncharted sea where most of the damage would result to the unemployed.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. TAFT. The Senator speaks of an uncharted sea. If the language reported to the Senate should not be agreed to, we would return to the Wagner-Peyser Act under which we operated for 10 years.

Mr. TUNNELL. Yes; but yesterday I understood the Senator to say that under the terms of the Wagner-Peyser Act there was afforded a great deal less authority than would be afforded under the bill, even though we have not been able to discover, either from the Senator himself or from anyone else, what the difference is.

Mr. President, under these conditions I hope the Senate will not wipe out all the subcommittee has done, all the committee has done, and all the Senate has done, and impose upon the States a reduction of the funds they are now receiving, which they have found necessary.

Mr. TAFT. Mr. President, the issue is a very simple one. We took the employment offices away from the States without any authority of law. We provided that the Federal Government should take them over and operate them because the President so requested. The Governors turned them over to the Federal Government reluctantly, with the stipulation that they should be returned. Now, instead of returning them under the conditions under which they were operated when we took them from the States, we are changing the whole basis of the Wagner-Peyser Act.

The Senator asks, "What changes?" Why change it at all? Every change made is toward increasing the power of the Federal Government over these employment offices. So, I say that if we pass the bill we are not in good faith returning these offices to the States. We are setting up conditions which inevitably will lead to the federalization of the entire Employment Service.

Every change made looks toward that end. There is the change putting the emphasis on rules and regulations, and less on State plans agreed upon by the States. There is the provision that the Federal Government may take over the offices again, or at least may step in and operate them, if the Federal officials do not like the details of the way a State is operating them. Every provision which is inserted is intended to strengthen the Federal Government.

Mr. President, why those changes? No one complained about the operation of the Wagner-Peyser Act. There was no criticism of it when the States were operating their employment offices under the act. The effect of the amendment is simply to provide that when the offices are returned they shall be operated under the Wagner-Peyser Act, and not under all the increased Federal power which is proposed by the Committee on Education and Labor.

There can be no reason for the amendments the committee urges except to give the Federal Government more power, and make the return mean less, make it a comparatively small change from the present conditions.

So, Mr. President, I think anyone who really desires that the offices be returned to the States in good faith should vote for the pending amendment.

Mr. BALL. Mr. President, very briefly, it seems to me that the amendment offered by the Senator from Missouri proposes one change, in the proviso in line 7, referring to State contributions to the expense of returning the services.

Mr. TAFT. Is not that only until 1948, so the State legislatures can meet to appropriate whatever money may be required?

Mr. BALL. That is the change.

With respect to the arguments made against the amendment by the Senator from Delaware, one of them was that requiring the grants to the States to be made on a straight population basis changes the amount going to every State in the Union, decreases it for about 21 or 22 of the States which have had a population shift during the war.

In addition to that, I think it is deficient in that since 1941 the administration of the United States Employment Service has been transferred by Executive order to the Social Security Board and the Department of Labor. That means that under the Donnell amendment there would be no provision for a commingling of funds for a single State budget for unemployment compensation and for the employment service. Each State would have to submit two different budgets, and would have to account for the funds in two different budgets.

Furthermore, under the Wagner-Peyser Act there is no provision for a merit system for State employees. That was taken care of by grants under title III of the Social Security Act, which would be eliminated by the amendment.

I think adoption of the amendment would not only undo the work we have done in the committee and here today, but it would be very greatly deficient as a practical proposition, and I hope the amendment will be defeated.

Mr. DONNELL. Mr. President, the distinguished Senator from Delaware at the outset of his remarks took the view that if my amendment were to be adopted it would reverse the action of the Senate previously taken today. I respectfully disagree with the Senator upon that proposition. I think it was very clear that the Senate understood that the amendment which had been proposed by me could not be considered until after the committee amendments had been disposed of. I myself voted upon various provisions of the committee amendments. Yet that by no means waived my right nor made it inconsistent on my part to present at this time the amendment which is now before the Senate.

Every action taken by the Senate today with respect to the pending bill has been in the nature of perfecting the committee amendments, subject at all times to the fact that an amendment, namely, the one I filed, was on the desk and could not be called up until after the committee amendments had been disposed of.

Mr. President, the Senator from Delaware makes the point as to the change in amounts granted under the Wagner-Peyser Act to the various States. I have not checked the accuracy of his statement, I have no doubt that he sincerely thinks he has given us, and possibly he has given us, the exact facts in that regard; but I submit that the mere fact that there has been some change in the position of some States between 1942 and this time does not alter the moral proposition that the Federal Government should return to the States these facilities under the law as it took them over on January 1, 1942.

Furthermore, Mr. President, I have in my hand what I understand to be a copy of an opinion rendered on January 4, 1939, by the Attorney General, then the Hon. Frank Murphy, now a member of the Supreme Court, to the President of the United States. I shall present the entire opinion for the RECORD, but it reads in part as follows:

MY DEAR MR. PRESIDENT: I have the honor to refer to your memorandum of December 27, 1938, in which you request my opinion upon a question of law presented by the Chairman of the Social Security Board in his letter to you of December 22, 1938.

The Chairman's statement of the problem is somewhat indefinite, but as I construe his letter it is: When the Social Security Board has approved an unemployment-compensation law of a State, what part of the total cost of the State's public employment offices provided for under and operated as an integral part of such law is the Social Security Board authorized to finance by grants certified under section 302 (a) of the Social Security Act?

The final paragraph of the letter, after some intermediate discussion, reads:

Accordingly it is my opinion that the Social Security Board is authorized to finance by grants under section 302 (a) of the Social Security Act only that part of the total cost of a State's public employment offices which is over and above the expense the State otherwise would have to incur to enable them to perform required duties not necessary for the proper administration of the State's unemployment-compensation law.

Mr. President, if my understanding be correct, it is true that the States have been receiving from the Social Security Board, after the issuance of this opinion, or at some time, at any rate, funds payable to the States, not as appropriations for employment services, but moneys issued to them from the Social Security Board. But, be that as it may, the mere fact that Missouri or Oregon or Kentucky or Delaware may not be in exactly the same position as it was in on January 1, 1942, relative to the other States of the Union as to population—which would manifestly be an impossible situation to contemplate—the mere fact that there may have been some changes in the populations of the various States does not alter the moral proposition that these facilities, having been received under the request of the President of the United States under given conditions, should be returned under those conditions.

Mr. DONNELL subsequently said: Mr. President, a few moments ago, during the course of my remarks, I referred to an opinion which had been issued by the Attorney General of the United States under date of January 4, 1939. I stated that I would offer the opinion in its entirety for printing in the RECORD. I omitted doing so and I now ask that the opinion be printed in the RECORD at this point as a part of my remarks.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., January 4, 1939.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to refer to your memorandum of December 27, 1938, in which you request my opinion upon a question of law presented by the Chairman of the Social Security Board in his letter to you of December 22, 1938.

The Chairman's statement of the problem is somewhat indefinite, but as I construe his letter it is: When the Social Security Board has approved an unemployment compensation law of a State, what part of the total cost of the State's public employment offices provided for under and operated as an integral part of such law is the Social Security Board authorized to finance by grants certified under section 302 (a) of the Social Security Act?

I agree with the statement of the general counsel of the Social Security Board in his memorandum submitted with the Chairman's letter that this question "does not permit of a categorical answer," and that "Each case must be * * * determined upon the basis of the statutory and factual situation existing in the State in which it occurs * * *." The Social Security Act of August 14, 1935 (49 Stat. 620 et seq.), provides in part:

"SEC. 302. (a) The Board shall from time to time certify to the Secretary of the Treasury for payment to each State which has an unemployment compensation law approved by the Board under title IX, such amounts as the Board determines to be necessary for the proper administration of such law during the fiscal year in which such payment is to be made. * * *"

"SEC. 303. (a) The Board shall make no certification for payment to any State unless it finds that the law of such State, approved by the Board under title IX, includes provisions for—

* * * * *

"(2) Payment of unemployment compensation solely through public employment offices in the State or such other agencies as the Board may approve * * *."

"SEC. 903. (a) The Social Security Board shall approve any State law submitted to it, within 30 days of such submission, which it finds provides that—

"(1) All compensation is to be paid through public employment offices in the State or such other agencies as the Board may approve * * *."

As will be noted, when a State has enacted an unemployment-compensation law which complies with the provisions of the Social Security Act, the Social Security Board is required to approve such law and to certify, under section 302 (a), to the Secretary of the Treasury for payment to that State the amounts determined by the Board to be necessary for its proper administration. A provision of State law prerequisite to approval by the Board is that payment of unemployment compensation shall be made through public employment offices in the State or such other agencies as the Board may approve. Thus, while the act does not so require, it contemplates that public employment offices may be utilized in the administration of a State's unemployment-compensation law.

A State's public employment offices, however, are set up by it under its own laws and for its own purposes; and they may be, and generally are, charged with duties other than those necessary for the administration of the State's unemployment-compensation law—duties in no way connected with such administration. This may be true even though they are organized under provisions of an unemployment-compensation law. It must be presumed that maintenance of them for such other purposes is a proper function of the State. To finance, to any extent, their cost for such ends, however, is no duty of the Social Security Board. The Social Security Act authorizes grants for their support only to the extent necessary for the proper administration of the State's unemployment-compensation law.

Also it is to be noted that the Social Security Act was enacted after the act of June 6, 1933, 48 Statute 113, generally known as the Wagner-Peyser Act. The declared purpose of the latter statute is "to promote the establishment and maintenance of a national system of public employment offices." In order to carry out this purpose the act establishes the United States Employment Service, a Bureau in the Department of Labor, and provides that when "a State shall, through its legislature, accept the provisions of this act and designate or authorize the creation of a State agency vested with all powers necessary to cooperate with the United States Employment Service under this act," the Director of the United States Employment Service shall, from funds appropriated under the act, make grants to such State to aid in "establishing and maintaining systems of public employment offices * * * in accordance with the provisions of this act." The functions and duties of such systems of public employment offices are set out in the act, and many of them are such that they bear no relation to the administration of an unemployment-compensation law. Reading the Social Security Act with the Wagner-Peyser Act it seems plain that the former should not be construed to encourage the establishment by States of systems of public employment offices other than such as may be set up under and in accordance with the provisions of the Wagner-Peyser Act.

Accordingly, it is my opinion that the Social Security Board is authorized to finance by grants under section 302 (a) of the Social Security Act only that part of the total cost of a State's public employment offices which is over and above the expense the State otherwise would have to incur to enable them to perform required duties not necessary for the proper administration of the State's unemployment-compensation law.

Respectfully,

FRANK MURPHY,
Attorney General.

Mr. MORSE. Mr. President, will the Senator from Missouri yield?

Mr. DONNELL. I yield.

Mr. MORSE. Am I not correct, however, in stating that under the bill, even if passed with the amendment proposed by the Senator from Missouri, all the money will now be appropriated by the Federal Government, whereas prior to 1942 it was matched by the States?

Mr. DONNELL. Mr. President, the answer to the distinguished Senator from Oregon is that the law will still be exactly the same as it is in the Wagner-Peyser Act, namely, the provision there requiring matching, but there had never been appropriated, as I understand, prior to January 1, 1942, more than $4,000,000 a year by the Federal Government for the purposes contemplated by the

Wagner-Peyser Act. The result was, as the Senator from Ohio has indicated, that great sums of money have been used for the expenses of the employment office by the Federal Government outside the matching provisions of the Wagner-Peyser Act, the aggregate amount being, as is indicated in a document which I have on my desk, as I recall, somewhere between 90 and 95 percent as being paid by the Federal Government before January 1, 1942, as compared with from 5 to 10 percent then being paid by the States.

Further answering the Senator from Oregon, I may say that the amendment which I have presented would restore the local condition precisely as it was, whatever it was, on January 1, 1942.

Mr. MORSE. Mr. President, will the Senator yield further?

Mr. DONNELL. I yield.

Mr. MORSE. In order to put the next question I want to make this statement of fact, and I am sure the Senator from Missouri is aware of the fact that in some of our States there has been a great increase in population since 1942 as the result of war plants which have been located in those States. One of the results of that shift in population has been to create a very serious potential unemployment problem in those States, and to meet that increased unemployment problem the States are vitally concerned about obtaining funds with which to meet it. Therefore any bill that would give to the States 100 percent of Federal money with which to administer their unemployment service is a matter of great concern to them. So my question is this: If the bill is passed as it came out of committee, does the Senator from Missouri agree with me that 100 percent of the funds for State employment services would be put up by the Federal Government?

Mr. DONNELL. I think that is correct. I think the Senator from Minnesota could give us an absolutely accurate answer on that, because he has undoubtedly studied the committee amendment very thoroughly.

Mr. MORSE. I wish to say to the Senator from Minnesota that the question I have put to the Senator from Missouri is this. If the bill is passed as it came out of committee, 100 percent of the money that is to be used for the service will be Federal money, will it not?

Mr. BALL. That is correct.

Mr. MORSE. Now may I ask the Senator from Missouri if it is true that if the bill were passed with the Senator's amendment in it, then we would revert to the match money basis as it existed under the Wagner-Peyser Act?

Mr. DONNELL. I think that is correct, and with this understanding that, as it applies under the Wagner-Peyser Act up until January 1, 1942, the Federal Government was in fact actually paying from 90 to 95 percent of the expense of each State.

Mr. MORSE. Then would the Senator from Missouri agree that his amendment does raise this question for the Senate to decide: Whether or not the Senate wishes to have the money put up by the Federal Government to the extent of 100 percent, or whether the Senate wants to go back to the match money basis under the Wagner-Peyser Act?

Mr. DONNELL. I think, Mr. President, that question is of course present. I take it, however, that the fact is that under the amendment which I have proposed the Federal Government would until July 1, 1948, finance the proposition 100 percent, because, as was pointed out by the Senator from Minnesota there is a provision in my amendment "That no State shall be required to make any appropriation as provided in section 5 (a) of the act of June 6, 1933, as amended, to January 1, 1942, prior to July 1, 1948."

Mr. MORSE. Mr. President, will the Senator yield further?

Mr. DONNELL. I yield.

Mr. MORSE. Of course I want to say that those of us who are very much concerned about the data that have been introduced here this afternoon showing the loss of funds that would be suffered by the States such as my State and Washington and California and the other States that were listed in the report presented by the Senator from Delaware are not expecting the crest of our unemployment problem to hit us until the possibility of the potential economic bust occurs in 1948–49 or 1950 or if and when it occurs. Thus we have to think ahead as to what I say, expressing a personal opinion, is going to be an inevitable economic bust period in this country unless certain steps are taken to meet the potential unemployment problem that is going to confront us. Thus when we as representatives of those States think ahead 2, 3, 4, or 5 years and we see data as they have been presented here this afternoon pointing out that our States will suffer a severe loss of funds if the amendment of the Senator from Missouri is adopted we naturally question the desirability of joining with the Senator. I do not think the Senator from Missouri would charge me with being motivated entirely by provincial interests when I say that I have to give attention to the financial effects on my State of the amendment presented by the Senator from Missouri. If I understand the situation correctly a vote by me for the Senator's amendment—and I do not intend to vote for it—would really be a vote for a 42 percent cut in the funds that otherwise would come to my State under the bill as reported by the committee. My State is one of those States greatly concerned about the potential unemployment problem with which we will be confronted when the boom and bust cycle runs its course.

Mr. DONNELL. For his frankness in this matter, Mr. President, I thank the Senator, who is always characterized by that quality in his utterances here and elsewhere.

I may say, Mr. President, that I am not advised, other than the statement made upon the floor this afternoon, as to the effect upon the State of Oregon. I was informed yesterday of the fact, according to one of the representatives of the Department of Labor, as I recall, that there would be a considerable readjustment as between States because of the population feature. But as I see it, Mr. President, if these services had been held by the States, by the State of Oregon, by the State of Missouri, by the State of Delaware, right on through from January 1, 1942, until this time, there would then exist precisely the same problem as exists now upon their return. It would seem to me that if some States may be injured, there may be others that will be benefited. I did not understand the remarks of the Senator from Delaware respecting Missouri. I heard the name of Missouri mentioned. But regardless of the effect upon any given State, I take it that when these services were taken over by the Federal Government, when they were delivered by the governors of the States on January 1, 1942, to the Federal Government, there must have been in contemplation the fact that the populations of the various States would not remain static during the period in which the services were held by the Federal Government.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. TAFT. I think it should be pointed out that while the Wagner-Peyser Act had a definite system of distribution between the States, what is proposed to be substituted for it is absolutely discretionary power in the Secretary of Labor to give any State any amount he may want to give it, and certainly when we are distributing Federal funds we ought, on every basis that I know of, to prescribe a formula. If some other formula is better than the one in the Wagner-Peyser Act, very well, but under the provisions of this bill the Secretary may give such amounts as he determines may be necessary for the proper and efficient administration of the State system.

His determination shall be based on, first, the population; second, an estimate of the cost of proper and efficient administration; third, such other factors as the Secretary finds relevant.

So if he does not like a State he can cut down its funds. If he wants to favor another State, he can give it funds. So, it seems to me that, regardless of the merits of the system which is in the Wagner-Peyser Act, to substitute a purely discretionary system by which money is handed out at the will of some Federal official is very much worse than the Wagner-Peyser Act provision.

Mr. DONNELL. I thank the Senator for his very valuable contribution.

Mr. BALL. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. BALL. What the Senator from Ohio was reading was identical with language contained in the so-called Dirksen substitute, which passed the House of Representatives, and if I am not mistaken a very similar provision was included in the rescission bill which passed both Houses last fall.

Mr. DONNELL. May I say to the Senator from Minnesota that regardless of whether it was in the Dirksen substitute or not, the Dirksen substitute is not the bill now before the Senate. The Senate now has before it my amendment which proposes to return these facilities back

to the States as they were on January 1, 1941.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. TAFT. I merely wish to complete what I had to say, that under the Federal hospital bill we worked out very carefully a proper formula for division of funds. Under the provisions of the aid-to-education bill, which we have had before us, we worked out such a division. Now that perhaps ought to be done. But certainly it seems to me that we ought not to substitute for the provision of the present law a purely discretionary provision, whether it was in the House bill or was not in the House bill.

Mr. DONNELL. I think so.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. MORSE. I thank the Senator from Missouri for yielding to me. He has been very kind to let me interrupt his remarks for comments of my own. I only wish to reply to him on two points. I think it is true that some States would benefit as the result of the Senator's amendment if the Senate should adopt the bill with the Senator's amendment in it. As I understand it, those States that would benefit would be those States that have not enjoyed a great increase in population since the 1940 census as compared with the States to which thousands of war workers migrated during the war. It seems to me quite unfair to set up a provision in this act which would accrue to the advantage of States that have not enjoyed a large increase in population since the 1940 census and to the disadvantage of those States that have had a big increase in population. It is my theory—and I want to make this position clear to the Senator from Missouri—it is my theory that those States that have had a large increase in war population are the ones that are going to need the funds when the unemployment wave hits us. Therefore I am back to the basic issue raised by the Senator's amendment. It is the question of whether or not we want to have the Federal Government put up the money 100 percent, or whether we want to come back to the match-money basis of the Wagner-Peyser Act. Now it seems to me that——

Mr. DONNELL. Mr. President, may I interrupt the Senator?

Mr. MORSE. Yes.

Mr. DONNELL. The Senator is, I assume, fully in agreement with myself that in fact on January 1, 1942, the actual share as between States and the Federal Government was that the Federal Government was providing from 90 to 95 percent, and the State governments from 5 to 10 percent.

Mr. MORSE. I am in complete agreement, but that is not, of course, the formula of the Wagner-Peyser Act itself, if we go back to the Wagner-Peyser Act.

Mr. DONNELL. That was, however, true during the time that the Wagner-Peyser Act was in effect, as it was also during the time the social-security legislation has been in effect.

Mr. MORSE. That is true, but we have no guaranty that such a match-money arrangement would continue under the terms of the original act.

Mr. DONNELL. The combination of the two worked out this result by which the States were, in fact, notwithstanding the matching provisions of the Wagner-Peyser Act, putting up only from 5 to 10 percent, and the Federal Government from 90 to 95 percent. Does the Senator concur in that statement?

Mr. MORSE. That certainly was the 1942 situation; but I am not of the opinion—and I am open to persuasion—that if the Senator's amendment were adopted the formula would be a 90–10 formula. If the Senator's amendment were adopted, as I understand it, we would go back to the original formula of the Wagner-Peyser Act itself and that was not a 90–10 formula.

Mr. DONNELL. We would go back to the Wagner-Peyser Act; and, as has just been pointed out, the other provisions of national legislation would be on the books just as they are at this moment.

Mr. MORSE. But mathematically the population statistics as of the 1940 census will have a great influence on the amount of money which would go to the individual States. It is because of that factor that I have endeavored to point out that approximately 20 or 21 States would suffer materially in funds as a result of the Senator's amendment if we adopt the principle which I think is inherent in his amendment, namely, the match-money principle rather than the principle of having the Federal Government put up all the money.

Mr. DONNELL. Let me say in response to the Senator from Oregon that in the first place the proviso which appears in my amendment relieves the States of the obligation to make any appropriation under section 5 (a), which is the matching provision of the Wagner-Peyser Act, until July 1, 1948.

In the second place, if an injustice creeps in by reason of changes in population between now and July 1, 1948, I take it that the Congress can be relied upon to make an equitable and proper redistribution.

I may say to the distinguished Senator from Oregon that it is my understanding that many students of this question—and I know of one or two who are very eminent—advocate the entire abolition of the matching provision. They point out the fact that the Federal Government has been paying, as it was on January 1, 1942, from 90 to 95 percent, as compared with 5 or 10 percent by the States.

So, Mr. President, I submit, first, that under the situation as it arose on January 1, 1942, the States are entitled to have these facilities back under the conditions which prevailed at that time. Second, no one would have anticipated that there would be a static condition of population between then and now. Third, if there be any injury to any State such as has been suggested, under the provisions of the amendment the States are relieved until January 1, 1948, of any obligation or requirement to make an appropriation under the terms of the matching provisions of the Wagner-Peyser Act. Finally, certainly the sense of equity and justice on the part of the Congress of the United States can be relied upon to make appropriate provision for the States thereafter.

The point made by the senior Senator from Ohio [Mr. TAFT] is exceedingly important, and I thank him very greatly for his contribution. As he has pointed out, the committee amendment provides as follows:

> (b) The Secretary shall from time to time certify for payment to each State which is in compliance with the provisions of section 4 of this act, and such rules, regulations, and standards of efficiency as may be prescribed under this act, such amounts as the Secretary determines to be necessary for the proper and efficient administration of the State system of public employment offices during the fiscal year for which payment is to be made.

That provision gives tremendous power to the Secretary of Labor to prescribe rules, regulations, and standards of efficiency. As the Senator from Ohio pointed out, the Secretary's determination "shall be based on (1) the population of the State," which is a mathematical basis, "and an estimate of the number of persons who will be served by the public-employment office system in the State; (2) an estimate of the cost of proper and efficient administration of the State system of public employment offices," which is semimathematical in nature; and "(3) such other factors as the Secretary finds relevant."

So I submit, with the Senator from Ohio, that from the standpoint of the best interests of the States it is better to go back to the Wagner-Peyser Act, realizing the fact that under it and under the law existing on January 1, 1942, the States were paying only 5 or 10 percent; realizing that under this amendment there is no obligation on the States to pay anything until July 1, 1948; and realizing that the Congress, because its Members come from the States of the Union, can be relied upon to make equitable readjustment. I submit that this amendment should be adopted, not from any standpoint of finances, not from any standpoint of whether one State may benefit or not, but because of the fundamental fact that these facilities were turned over to the United States Government as a loan, and should be returned to the respective States in substantially the condition in which they were received.

One further word and I am through. I have recognized in this amendment the fact that it is necessary, of course, to have some transitional provision with respect to personnel. For that reason my amendment is not directed to title III of the bill. My amendment is directed solely to title I and title II, and leave the transitional provisions which relate to personnel and property intact as they have been passed upon by the Senate this afternoon.

Mr. President, I believe the yeas and nays have been ordered on my amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri. On this question the yeas and

nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] is absent because of illness.

The Senator from Missouri [Mr. BRIGGS], the Senator from Utah [Mr. THOMAS], and the Senator from Montana [Mr. WHEELER] are absent by leave of the Senate.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Idaho [Mr. TAYLOR] are necessarily absent.

The Senator from Idaho [Mr. GOSSETT] is unavoidably detained.

The Senator from Mississippi [Mr. BILBO], the Senator from Virginia [Mr. BYRD], the Senator from Arizona [Mr. MCFARLAND], the Senator from Florida [Mr. PEPPER], and the Senator from Maryland [Mr. TYDINGS], are detained on public business.

The Senator from Washington [Mr. MITCHELL] is detained on official business at one of the Government departments.

The Senator from New Mexico [Mr. HATCH] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Louisiana [Mr. ELLENDER] is absent on official business, having been appointed to the commission on the part of the Senate to participate in the Philippine independence ceremonies.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

I also announce that the Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

I further announce that if present and voting the Senator from South Carolina [Mr. MAYBANK], the Senator from Washington [Mr. MITCHELL], the Senator from Florida [Mr. PEPPER], the Senator from Maryland [Mr. TYDINGS], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS] would vote "nay."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from Massachusetts [Mr. SALTONSTALL] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Oregon [Mr. CORDON] is absent by leave of the Senate, being a member of a committee designated by the Senate to attend the atomic bombing at Bikini.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate on official business as a member of the Special Committee on Atomic Energy.

The Senator from Maine [Mr. BREWSTER] and the Senator from Nebraska [Mr. BUTLER] are absent on official business, being members of the Commission appointed to attend the Philippine independence ceremonies.

The Senator from North Dakota [Mr. LANGER], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The result was announced—yeas 32, nays 37, as follows:

YEAS—32

Austin	George	Robertson
Brooks	Gerry	Smith
Buck	Gurney	Stanfill
Burch	Hart	Swift
Bushfield	Hawkes	Taft
Capehart	Knowland	Wherry
Capper	Millikin	White
Carville	Moore	Wiley
Donnell	O'Daniel	Willis
Eastland	Reed	Wilson
Ferguson	Revercomb	

NAYS—37

Aiken	Johnson, Colo.	Murray
Andrews	Johnston, S. C.	Myers
Ball	Kilgore	O'Mahoney
Barkley	La Follette	Overton
Chavez	Lucas	Radcliffe
Downey	McCarran	Russell
Fulbright	McClellan	Stewart
Green	McKellar	Thomas, Okla.
Guffey	McMahon	Tunnell
Hayden	Magnuson	Wagner
Hill	Mead	Walsh
Hoey	Morse	
Huffman	Murdock	

NOT VOTING—27

Bailey	Ellender	Saltonstall
Bilbo	Gossett	Shipstead
Brewster	Hatch	Taylor
Bridges	Hickenlooper	Thomas, Utah
Briggs	Langer	Tobey
Butler	McFarland	Tydings
Bryd	Maybank	Vandenberg
Connally	Mitchell	Wheeler
Cordon	Pepper	Young

So Mr. DONNELL's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WHERRY. Mr. President, in connection with the language on page 5, in line 18, I should like to ask the proponents of the bill if they will accept an amendment to the committee amendment, as follows:

Insert at the appropriate place the following:

"SEC. —. For the purpose of assisting in providing an adequate supply of workers for the production and harvesting of agricultural commodities within the several States, the Secretary of Agriculture is authorized and directed to maintain in cooperation with the State agricultural extension services a farm labor recruitment, transportation, and placement service."

Mr. BALL. Mr. President, we have discussed that matter both yesterday and today. I think that permanent legislation along that line should be considered early in the next session. But I do not like to enact permanent legislation establishing that kind of an employment service in the Department of Agriculture without having any committee consideration, hearings, or anything of the sort.

The language to which the Senator has referred on page 5 is now in the Wagner-Peyser Act. We did not change it. The Farm Placement Service which now is under the Department of Agriculture will remain there. It is my understanding that it is fixed there until January 1. In any event, it is my understanding that a joint resolution extending it through the next fiscal year will be passed, and then the Congress can do whatever it wishes to do at the next session.

But I do not think we should try to enact permanent legislation on such a matter at this time. I believe we should leave the basic authority for the Farm Placement Service in the law until we decide what we wish to do about it permanently.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. TUNNELL. I hold in my hand a letter from the Solicitor of the Department of Agriculture which bears on this question. I really have not had time to study it, but I should like to read it to the Senate. It reads as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
June 25, 1946.

Hon. J. M. TUNNELL,
United States Senate.

DEAR SENATOR TUNNELL: The Secretary of Agriculture has asked that I communicate with you in regard to a question raised on the floor of the Senate on Monday, June 24, during the debate on H. R. 4437, a bill to provide for the return of public employment offices to State operation, to amend the Act of Congress approved June 6, 1933 (48 Stat. 113), and for other purposes. The apprehension was expressed that the provision of section 3 (a) of the bill relating to the authority of the United States Employment Service to maintain a "farm placement service" would create doubt as to the authority of the Secretary of Agriculture to continue with the farm labor supply program administered by the Department of Agriculture.

The language in question is identical with language in the act of June 6, 1933, commonly referred to as the Wagner-Peyser Act. Prior to the enactment of Public Law 45 (78th Cong.) which authorized this Department to operate a farm labor supply program, all authority of the War Manpower Commission with respect to the recruitment and placement of farm labor was delegated (Directive XVII, 8 F. R. 1426) to the Department of Agriculture. As a consequence, the United States Employment Service did not thereafter exercise its authority to maintain a farm placement service under the Wagner-Peyser Act. Following the enactment of Public Law 45, the Department of Agriculture relied upon the authority contained in that act as extended and modified from time to time for the operation of its farm labor supply program and not upon the delegation from the War Manpower Commission. The United States Employment Service has not, either during the existence of the delegation from the War Manpower Commission or since its rescission in June 1945 (10 F. R. 8801), obtained an appropriation for farm placement service and has not engaged in that activity except under contract with State extension services, using funds appropriated in the farm labor supply appropriation acts. There has been, therefore, no duplication of activity in the field of farm labor supply de-

spite the fact that both the United States Employment Service and the Department of Agriculture, acting through the State extension services, have authority to maintain a farm placement service.

In view of the foregoing, it is my opinion that the enactment of section 3 (a) of the bill in its present form would not prevent the Department of Agriculture from continuing to operate its farm labor supply program, nor would it change existing authorities with respect to the maintenance of farm placement services.

Sincerely yours,

W. CARROLL HUNTER,
Solicitor.

Mr. WHERRY. Mr. President, I should like to have the Senator from Delaware answer this question for me, inasmuch as I could not hear all of the letter the Senator read because there was some confusion in the Chamber: Is it the Senator's interpretation of that letter that the passage of the bill as it now stands will not interfere in any way with the present program of the Department of Agriculture in respect to operating the farm placement service?

Mr. TUNNELL. Let me read again the concluding portion of the letter:

In view of the foregoing, it is my opinion that the enactment of section 3 (a) of the bill in its present form would not prevent the Department of Agriculture from continuing to operate its farm labor supply program, nor would it change existing authorities with respect to the maintenance of farm placement services.

Sincerely yours,

W. CARROLL HUNTER,
Solicitor.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator if he has been informed by the Department of Agriculture that it will continue this program under the resolution by which it formerly has been authorized to handle it, so that the farm placement service will be continued by the Department of Agriculture.

Mr. TUNNELL. I have not been informed as to that.

Mr. WHERRY. What assurance do we have that it will be continued?

Mr. BALL. Mr. President, I talked to the Director of the United States Employment Service, and he tells me that they have reached an agreement with the Department of Agriculture whereby they will try to get through the Congress a resolution extending the present authority, which expires on January 1. They will try to have it continued through the full fiscal year. We have been handling it on a calendar-year basis. Twenty-five million dollars is available for this year. It is up to us to provide funds for the remainder of the fiscal year. I can tell the Senator that there are no funds for the farm placement service in the United States Employment Service bill which now is in the committee.

Mr. WHERRY. Mr. President, I should like to ask another question: Is there assurance that the farm placement work will be continued?

Mr. BALL. Yes.

Mr. WHERRY. Is there assurance that it will be continued under the Department of Agriculture, regardless of the provisions of the pending measure, if it is passed?

Mr. BALL. That is correct.

Mr. WHERRY. Mr. President, if the proponents of the bill feel that they do not wish to amend it in the way I have suggested, I shall not insist upon doing so at this time. But if the Department of Agriculture is to operate the service when the proper time comes I think we should amend the basic law so as to place the service in the control of the Department of Agriculture and let the Department of Agriculture handle it. I expect to take steps to that end at the appropriate time when the proper legislation comes before the Senate.

Mr. TUNNELL. Mr. President, I wish to say to the Senator that I do not think his remarks are at all out of place. I think his thought is excellent, but I do not think there is any such danger at the present time.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4437) was read the third time and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6335) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1947, and for other purposes; that the House receded from its disagreement to the amendments of the Senate Nos. 7, 17, 53, 58, 78, 80, 90, 92, 98, 105, 114, 116, 159, 234, 238, 242, 256, 265, 274, 285, and 295 to the bill and concurred therein, and that the House receded from its disagreement to the amendments of the Senate, Nos. 2, 5, 6, 18, 19, 20, 85, 87, 115, 141, 166, 239, 272, 276, and 277 to the bill and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

ADDITIONAL FOREIGN SERVICE OFFICERS IN THE CLASSIFIED GRADES

Mr. GEORGE. Mr. President, I submit a conference report on H. R. 5244, to authorize the appointment of additional foreign-service officers in the classified grades, and ask unanimous consent for its present consideration.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5244) to authorize the appointment of additional foreign-service officers in the classified grades, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1 to 20, inclusive, and 22, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 21 and agree to the same with amendments as follows: On page 3 of the House bill strike out lines 16 and 17 and insert in lieu thereof the following:

"SEC. 6. The second paragraph of section 32 of the Act entitled 'An Act for the reorganization and improvement of the Foreign Service of the United States, and for other purposes,' approved May 24, 1924 (46 Stat. 1214), as amended, is amended to read as follows:" ; and in lieu of the matter proposed to be stricken out by the Senate amendment insert the following: "or representatives duly authorized by such Committees."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

WALTER F. GEORGE,
THEODORE FRANCIS GREEN,
ROBERT M. LA FOLLETTE, Jr.,
Managers on the Part of the Senate.

SOL BLOOM,
LUTHER A. JOHNSON,
CHARLES A. EATON,
Managers on the Part of the House.

Mr. GEORGE. Mr. President, I ask unanimous consent for the immediate consideration of the report.

There being no objection, the Senate proceeded to consider the report.

Mr. GEORGE. Mr. President, I desire merely to say, before moving adoption of the report, that the House has agreed to all the amendments made by the Senate to the bill with one exception, and has concurred in that amendment with an amendment.

I therefore move the adoption of the conference report.

The PRESIDING OFFICER (Mr. HOEY in the chair). Without objection, the report is agreed to.

OFFICERS AND EMPLOYEES FOR CIRCUIT COURTS OF APPEALS AND DISTRICT COURTS

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 4230) to provide necessary officers and employees for circuit courts of appeals and district courts, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McCARRAN. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCARRAN, Mr. MURDOCK, and Mr. WILEY conferees on the part of the Senate.

NATIONAL SCIENCE FOUNDATION

Mr. MAGNUSON. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1153, Senate bill 1850.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1850) to promote the progress of science and the useful arts, to secure the national defense, to advance the national health and welfare, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. WHITE. Mr. President, what was the motion of the Senator from Washington?

Mr. MAGNUSON. I moved that the Senate proceed to the consideration of Calendar No. 1153, Senate bill 1850, a bill to establish a National Science Research Foundation.

The PRESIDING OFFICER. The motion was agreed to.

Mr. TAFT. Does the Senator intend that the Senate shall discuss the bill this evening?

Mr. MAGNUSON. No.

ADMISSION INTO UNITED STATES OF PERSONS OF RACES INDIGENOUS TO INDIA

Mr. FULBRIGHT. Mr. President, I present the conference report on House bill 3517, a bill to authorize the admission into the United States of persons of races indigenous to India. I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The report will be read.

The report was read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3517) to authorize the admission into the United States of persons of races indigenous to India, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:
>
> That the House recede from its disagreement to the amendments of the Senate and agree to the same.
>
> J. W. FULBRIGHT,
> HOMER FERGUSON,
> JOSEPH H. BALL,
> *Managers on the Part of the Senate.*
>
> JOHN LESINSKI,
> EDWARD H. REES,
> N. M. MASON,
> *Managers on the Part of the House.*

The PRESIDING OFFICER. The question is on agreeing to the conference report submitted by the Senator from Arkansas.

Mr. RUSSELL. Mr. President, I desire to make a very brief statement in regard to this conference report. House bill 3517, as originally presented, amends our immigration laws by permitting the immigration of the races of people living in India, which is a British possession. It allows India a quota of immigrants and permits the nationalization of all Indians who came into our country before the restrictive immigration laws were passed in the 1920's.

A similar bill allowing a quota to natives of the Philippines was also passed by the House. The conference report seeks to merge these two bills into one, so as to allow a quota to both countries and to nationalize those of the two countries who are already living in the United States. I do not oppose the measure with reference to the Filipinos, because of the peculiar relations which have existed for many years between the Philippines and this country. For many years the Filipinos have enjoyed the status of nationals of the United States and have not been aliens. We have been closely associated not only during the late war but ever since the Spanish-American War, and every American citizen prays for the progress and happiness of the people of the new Philippine Republic which will be launched on July 4.

I regret that the two bills have been merged, because I am opposed to the adoption of the bill allowing a quota to India. I greatly fear that the action of the Congress in adopting this measure will set in motion a course of events which will result in striking down all of the provisions of our immigration laws relating to the admission of immigrants from Asia.

We have already passed a bill allowing a quota to China. This bill was offered during the stress of war, and before it was enacted by the Congress the then President of the United States, Mr. Roosevelt, urged its adoption as an exception to our restrictive immigration laws which could properly be made as a gesture of good will to our allies in the fight against aggression. It was strongly implied that it would not be considered as a precedent for other legislation.

However, we now find that the Congress has enacted the Indian bill. Bills have already been introduced to allow quotas of immigrants to Koreans and other Asiatics. We may soon expect measures of the same kind allowing the immigration of natives of Siam, French Indochina, Burma, Java, Sumatra, and of each of the other many racial groups of the Orient. If all of these bills are enacted into law, each and every one of those races will be allowed a quota of immigrants into the United States. I am afraid that we have started a process which will gradually whittle away all of the restrictions of our immigration laws.

I have nothing against the Indians, and there is much to commend favorable action in allowing them to immigrate to the United States and become American citizens, but I am opposed to any weakening of our immigration laws at this time. This is particularly true in view of the precedent which this bill will set, and it will encourage all of those who wish to strike down all of our immigration laws to renew their efforts.

There are well organized groups in every State of the Union who are urging legislation relaxing our immigration laws to the extent of practically eliminating quotas and other restrictions upon immigration into the United States. As chairman of the Committee on Immigration I have received hundreds of communications from such groups. If they were to present their views in one measure to repeal all of our immigration laws and allow the unlimited movement of aliens into our country, the Congress would become alarmed. However, they are too smart for that, and they are seeking to undermine our restrictive laws by the whittling process of introducing a bill here and a bill there, each of which is plausible, but the sum total of which will destroy our present policy of restriction. It is difficult to see how the Congress, after committing itself to a measure such as the Indian bill, can oppose other bills of similar import for each of the numerous races in Asia when they follow in its wake.

Those who are seeking to strike down our immigration laws make the argument that it is a good things for all of us to increase the inflow of immigrants from abroad into this country. They say that each immigrant is a consumer, thereby increasing the domestic market and providing employment to our people to produce the products that they will consume. Under their philosophy we can only achieve the ultimate in prosperity in this country by striking down every present legal barrier to alien immigration. Under their theory, if we bring into this country the teeming millions of Europe, Asia, and Africa who are anxious to come here, and in effect pack most of the people of the world into the United States, we will have so many consumers and producers that we will then achieve the greatest measure of prosperity we have ever known. I do not subscribe to this philosophy, and I believe that we are very unwise to embark upon a policy of weakening our restrictive immigration laws at this time. The laws have already been badly abused during the war, and should be tightened rather than relaxed.

I was absent from the Senate by its leave when the calendar was called and the Indian bill was enacted, or I would have made this statement at that time. The forces back of the bill were so great that it would have been enacted despite anything that I might have said. I do, however, wish to have the RECORD show that I intend to resist any and all bills which are brought forward which tend in any degree to weaken our restrictive immigration laws. I believe that it would contribute to the well-being of our country and the American citizens generally if we were to tighten rather than to relax our existing laws. For myself I shall seek to strengthen and not weaken our immigration laws, and I believe that the majority of the American people are in favor of that course as opposed to the present trend to increase the number of immigrants into the United States.

Mr. WHITE. Mr. President, did this bill come to the Senate from the Senate Committee on Immigration?

Mr. RUSSELL. It did, and over my opposition, I may say to the Senator from Maine. I regret that I was not present when it was called up on the calendar. I thought I had an understanding to the effect that the bill would not be called up during my absence. I would have opposed it if I had been present when it was called up.

The PRESIDING OFFICER. The question is on agreeing to the conference report presented by the Senator from Arkansas.

The report was agreed to.

FEDERAL CITY CHARTER COMMISSION

Mr. McCARRAN. Mr. President, I ask unanimous consent that the Senate proceed to consider Calendar No. 1418, Senate bill 1942, a bill to incorporate the Federal City Charter Commission.

I desire to state that this is a bill which addresses itself entirely to the District of Columbia. All that it would do would be to set up a commission which

would study and work out a suitable charter for the District of Columbia. When the bill was reached on a previous call of the calendar, the Senator from Oregon [Mr. CORDON] objected to its consideration. He has told me since that he has no objection.

Mr. BARKLEY. Mr. President, is there anything in the bill which commits Congress in any way to the action it may take in the future?

Mr. McCARRAN. There is absolutely nothing in the bill which commits Congress in any way. Before any charter can be considered or submitted to the people of the District it must first be submitted to the Congress and approved by the Congress. It may be amended by the Congress, anything might be done to it, it might be set aside, or might be adopted.

Mr. REVERCOMB. Mr. President, this is really the first step, one step, in the direction of granting to the city of Washington and the District of Columbia self-government, free from regulation by the Congress, is it not?

Mr. McCARRAN. No; it would not be free from regulation by the Congress. It would permit the District of Columbia, or the city of Washington in the District of Columbia, to work out, by a group, a charter which they believe would give a measure of self-government to the people of the District. But it would not divorce the Congress from control over the District. That is specifically provided for.

Mr. REVERCOMB. Mr. President, I feel this is a very important bill, one to which a great deal of care should be given. There should be discussion of the bill, in addition to great study, and under these circumstances I object to immediate consideration of the bill.

The PRESIDING OFFICER. Objection is heard.

INCREASE IN PAY FOR PERSONNEL OF THE ARMY, NAVY, ETC.—CONFERENCE REPORT

Mr. JOHNSON of Colorado. Mr. President, I call up the conference report on House bill 6084, to amend the Pay Readjustment Act of 1942, as amended.

(See conference report printed in full in the RECORD of June 21, 1946, pp. 7267–7268.)

Mr. JOHNSON of Colorado. Mr. President, Senators will recall that this matter was under consideration in the Senate 10 days ago, and there was a difference between the House and the Senate bill with respect to commissioned officers. The House provided for an increase in the compensation of commissioned officers of 10 percent, except in the two lower ranks. In the case of first lieutenants and second lieutenants the increase was 20 percent, in the case of captains 10 percent.

The net result of the conference report was to agree to the House provision, with the exception of captains, in which case the increase was from 10 percent to 15 percent.

Mr. LA FOLLETTE. Mr. President, I understood the Senator from Colorado to say that the net effect of the conference report was to agree to the House provision with the exception of the provision as to captains.

Mr. JOHNSON of Colorado. That is correct.

Mr. LA FOLLETTE. Was the amendment which I joined with the Senator from Colorado in offering, relating to the first four categories, rejected?

Mr. JOHNSON of Colorado. No; that was agreed to. As a matter of fact, that provision was common to both bills, the House bill and the Senate bill.

Mr. LA FOLLETTE. I did not want the Senator's statement to stand without comment, and leave any Senator under a misapprehension as to the first four categories, that they had been changed in the respect in which the bill passed the Senate.

Mr. JOHNSON of Colorado. No; the provision is the same as when the bill passed the Senate. The provisions were exactly the same in both bills.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the conference report was considered and agreed to.

PROVISION FOR HEARINGS, ETC., BY STANDING AND SELECT COMMITTEES

Mr. LUCAS. Mr. President, I ask unanimous consent to report from the Committee To Audit and Control the Contingent Expenses of the Senate, an original resolution (S. Res. 293), and I also ask unanimous consent for its present consideration. It merely continues the standing and select committees and gives them authority to employ clerical assistance, to hold hearings, and to conduct investigations during the Seventy-ninth Congress and up until January 31, 1947. This is the usual resolution, and is presented each time a Congress is about to expire.

I might say for the benefit of the Senate that the resolution does not include resolutions which are now pending on the calendar, such as Resolution 161, offered by the Senator from Arizona [Mr. MCFARLAND]; Resolution 244, offered by the Senator from Florida [Mr. PEPPER]; or Resolution 245, offered by the Senator from West Virginia [Mr. KILGORE.]

Some doubt has been raised as to whether or not this resolution includes the resolutions which are now pending upon the calendar and have not heretofore been disposed of by the Senate. My reply is in the negative.

The PRESIDING OFFICER. The clerk will read the resolution for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 293), as follows:

Resolved, That all resolutions heretofore agreed to, authorizing standing or select committees to employ clerical assistants, hold hearings, and conduct investigations during the Seventy-ninth Congress, hereby are continued in full force and effect until January 31, 1947.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator from Illinois—so that there may be no mistake about what we are doing—if this resolution is the usual resolution which is passed before the close of a session to extend over to January 31 of the next year the standing committees and the committees which are set up under resolutions, with the exception of the subcommittee called the Pepper Committee on Health and Education, which the Senator has identified as Resolution No. 244, Calendar No. 1108; the Kilgore committee, called the Subcommittee on War Mobilization, under Resolution 245, Calendar No. 1109; and the so-called McFarland resolution, No. 101, Calendar No. 1107. We are extending all committees except those. Am I correct in that?

Mr. LUCAS. The Senator is correct.

Mr. WHERRY. The others will come up when they are reached on the calendar for consideration?

Mr. LUCAS. This resolution applies only to standing committees and special committees which have heretofore been authorized by the Senate.

Mr. BARKLEY. Mr. President, these committees would be extended anyway up to the end of this Congress, that is, the 3d day of January, without this resolution, would they not?

Mr. LUCAS. Yes.

Mr. BARKLEY. What this resolution does is to extend the life of the committees and their jurisdiction for 1 month beyond the date on which they would expire anyway?

Mr. LUCAS. The Senator is correct. It would give the Senators opportunity, during the 30-day period, to reoffer resolutions for the purpose of asking for money to carry on the functions of the committees during the session which would then have convened.

Mr. BARKLEY. Are there any special committees which would expire prior to the 1st day of January which this resolution would operate to extend until the 31st of January?

Mr. LUCAS. That is probably true, but the committee thought that perhaps it was just as well to follow the usual custom, and provide that any special committee which would expire at the end of this Congress should not expire at that time, but opportunity would be given to reoffer resolutions if Senators so desired.

Mr. WHITE. Mr. President, as I understand, this is the same resolution to the consideration of which I objected, but it is modified as the Senator from Nebraska has indicated?

Mr. LUCAS. The Senator from Maine is correct.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

HEARINGS BEFORE COMMITTEE ON APPROPRIATIONS—INCREASE IN LIMIT OF EXPENDITURES

Mr. LUCAS. Mr. President, I report favorably from the Committee To Audit and Control the Contingent Expenses of the Senate a resolution (S. Res. 291), submitted by the senior Senator from Tennessee [Mr. MCKELLAR] on June 24, 1946, asking for an additional $5,000 for the Committee on Appropriations. I ask for immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That the Committee on Appropriations, authorized by Senate Resolution 9, agreed to January 6, 1945, and Senate Resolution 132, agreed to June 28, 1945, to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject referred to said committee, hereby is authorized to expend from the contingent fund of the Senate, for the same purposes, during the Seventy-ninth Congress, $5,000 in addition to the amount of $15,000 heretofore authorized.

HEARINGS BEFORE COMMITTEE ON PUBLIC LANDS AND SURVEYS—LIMIT OF EXPENDITURES

Mr. LUCAS. Mr. President, as Chairman of the Committee To Audit and Control the Contingent Expenses of the Senate I report favorably Senate Resolution 281, submitted on June 7 by the Senator from Utah [Mr. MURDOCK], which requests an additional $5,000 for the Committee on Public Lands and Surveys, one of the standing committees of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That the Committee on Public Lands and Surveys, authorized by Senate Resolution 9, agreed to January 6, 1945, to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject referred to said committee, hereby is authorized to expend from the contingent fund of the Senate, for the same purposes, during the Seventy-ninth Congress, $5,000 in addition to the amount of $5,000 heretofore authorized.

EXTENSION OF SELECTIVE TRAINING AND SERVICE ACT OF 1940—CONFERENCE REPORT

Mr. JOHNSON of Colorado. Mr. President, I call up the conference report on House bill 6064, to extend the Selective Training and Service Act of 1940, as amended.

(See conference report printed in full in the RECORD of June 21, 1946, pp. 7266–7267.)

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent that the Senate consider the report.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the report.

Mr. MAGNUSON. Mr. President, does the Senator from Colorado intend to go on with the report today?

Mr. JOHNSON of Colorado. Yes; I hope there will not be much debate.

Mr. MAGNUSON. And finish it tonight?

Mr. JOHNSON of Colorado. I hope so.

Mr. President, I move the adoption of the report.

Mr. REVERCOMB. Mr. President, I do not expect to take any great length of time in discussing the conference report. I only wish to reiterate the position I took when the question of the extension of the draft was before the Senate. My position then was taken on the basis of the figures and facts which were furnished to the Military Affairs Committee, largely from the Army and the staff of the Army and its representatives when they appeared before the committee.

I have taken the position, based upon those figures, that the army that is desired by this country can be obtained through voluntary enlistments. There are parts of this extension measure to which I heartily subscribe, and particularly the provision for not drafting fathers, and for releasing fathers, and for releasing men with 18 months of service. My colleagues on the Military Affairs Committee know my stand upon those subjects, and I have been in favor of such action.

However, there is now before the Senate the provision of the bill as passed by the House of Representatives that would induct men between 19 and 45 years of age. Since the beginning of the discussion of this whole subject, I have never differentiated in the ages, so that if any should be taken, then they should all be taken within the years covered. But it seems to me that in extending this inducting phase to men 45 years of age we are going quite high. A man in his forties, even a man in his thirties, is a little too old usually to make a good soldier. I make the statement to be consistent—and I feel it to be consistent with the position I held formerly—that further induction should not be provided for until the Congress itself sees a need for the calling up of more men. That is the reason that I myself, as a Member of the Senate, shall vote against the conference report.

The PRESIDING OFFICER. The question is upon agreeing to the conference report.

The report was agreed to.

NATIONAL SCIENCE FOUNDATION

The Senate resumed consideration of the bill (S. 1850) to promote the progress of science and the useful arts, to secure the national defense, to advance the national health and welfare, and for other purposes.

Mr. SMITH. Mr. President, in light of the fact that Senate bill 1850 is the unfinished business before the Senate, I wish to offer and send to the desk and have printed an amendment in the nature of a substitute for Senate bill 1850. In explanation of the amendment I wish to say that I did not join in with the views of the minority of the Military Affairs Committee, because I believe fully and completely in the objectives of Senate bill 1850. As is well known, for some years I have been connected with Princeton University. I have been in touch with a number of scientific people. I am deeply interested in this legislation. I am offering the amendment in behalf of myself and some of my colleagues, not to create difficulty in connection with this subject, but to try to present a slightly different approach to the matter, so that we may consider both the approach of the main bill and the approach of this amendment.

What I am interested in primarily is vesting in the proper kind of scientific groups the control of funds for scientific research. I shall not develop the subject further, but in advocacy of my amendment when the time comes to debate it I shall be glad to elaborate further on that point.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

BRITISH REGULATIONS RESPECTING TRAVEL BY AIR

Mr. KNOWLAND. Mr. President, I do not intend to take much of the time of the Senate now, but at a later day I shall have something further to say on the matter of international air transport. I wish to say now, however, that it is one of the most important subjects facing this country at the present time. I was much concerned when an article which appeared in a number of newspapers was called to my attention. The article I have before me happens to be from the Wichita (Kans.) Beacon of Thursday, June 20, 1946. It is by John A. Thale, of the Chicago Daily News Foreign Service. The article comes out of San Juan, P. R. I shall ask that the article be printed in the body of the RECORD following my remarks.

Briefly, I wish to say to the Senate that the sense of the article—and there is every indication that the correspondent is accurate in his reporting—is that the passengers on American air lines are confronted with obstacles which do not apply to the passengers on the British West Indies air lines. In other words, an American passenger traveling on a British air line is given different treatment from that accorded an American passenger traveling on an American air line. The particular point to which the correspondent refers is that an American traveling on the American air lines in order to disembark at certain islands of the British West Indies airports must have a letter from the governor of the particular British possession; and, from the indications given in the article, it is difficult for an American traveling on an American air line to obtain such a letter. If he travels on a British plane he is not required to secure a letter from the governor of the British possession.

I today have addressed a communication to the Department of State asking them as to what steps they have taken to look into this matter, and inquiring also, if the facts are as reported, just what they have done to protect American interests in this matter of international aviation.

Mr. President, I have not the least doubt that under the American system we can compete with any type of system in the world today, be it the communism of Russia or the new socialism of Britain. But we cannot do it, Mr. President, if the American system and those who believe in it are to have their hands tied by their own Government, or if their own Government is to permit obstacles to be put in their way in competing on equal terms in the international field.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. HAWKES. The point the Senator is raising before the Senate is the very point which was raised by me at the time I voted against the British loan. Regardless of how much friendship any one may have for another people or another nation—and I have just as great a respect and friendship for the British people as has anyone else in the United States—I cannot understand how the representatives of the American people in the United States Congress could vote to hand $3,750,000,000 to the British Government without correcting some of the very conditions the Senator from California is now talking about.

Mr. President, it is just plain common sense that when there exists a number of conditions which are wrong, or when there is misunderstanding between two parties and one of them wants the other to do a certain thing which he needs to have done very much, the parties should sit down together and say, "Let us correct the existing inequities before we do this other thing."

I am glad the Senator from California has raised this issue, but it does not do any good to lock the barn door after the horse is gone. The horse is pretty nearly gone now, I am told. I merely want to emphasize that, irrespective of the love one may have in his heart for other peoples of the world—and I have a very deep feeling for other nations—my practical experience in life tells me that the time to adjust conditions which are not right, which are not just, which are not equitable, is when one of the parties very greatly desires something the other party has. The thing to do is right then and there to say, "Let us adjust the misunderstandings we have respecting naval bases; let us adjust all our differences respecting air bases; let us adjust the questions relating to international communications so that everything is on an equal, fair basis, and there is equity between your country and our country."

Mr. President, if we are going to be friends, there is no use in talking about being friends unless we can find the essence and the principles of equity in our relationships.

Mr. KNOWLAND. Mr. President, I will say to the distinguished Senator from New Jersey that in December and January of this year, as a member of the subcommittee of the Mead committee, together with my colleague the Senator from Delaware [Mr. TUNNELL], I went on a 30,000-mile air trip around the world to investigate the disposal of Army and Navy surplus properties. On that trip we had called to our attention time after time, and we had the opportunity of seeing with our own eyes, airfields on which hundreds of millions of dollars of the money of the American taxpayers had been spent. This Government had not reserved rights to use commercial facilities on those fields which we had built. At that time it seemed to me that our Government had been very lax in not protecting what appeared to be a legitimate American interest.

Mr. HAWKES. Let me say one thing further to the Senator from California. I know what is going to happen in the United States 2 or 3 years after we have done all these things. It has been happening for years. People by the hundreds of thousands will say to us, as their representatives, "Why did you not protect the interests of America fairly at that time?"

That is all I am talking about. All I want is a square deal. During the past week I have talked with two or three distinguished British citizens. They agree with what I am saying in the Senate. They agree that it is in the interest of future friendship between the British people and the American people that we should adjust these things on a basis which is sound and fair at the present time.

I repeat what I said at the time of the British loan. God deliver me from an honest misunderstanding. An honest misunderstanding can be a thousand times more serious than a dishonest misunderstanding. I hope the American people will wake up not only with relation to Great Britain, but with relation to every other nation with which we deal. I hope we can see that the only way in which to build the magnificent peace about which we are talking today is by being sound in the deals we make, and sound in our relationships with the rest of the world. All the beautiful reaction which comes from the emotions of the heart will be dead when the pocketbook is empty.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the article by Mr. Thale to which I referred in the beginning of my remarks may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SAN JUAN, P. R., June 20.—Some American officials in the Caribbean area complain that the British are giving them a fast shuffle.

The point of dispute is commercial use of military airfields built by the United States on leased bases in British territory. These bases were acquired in 1940 when Winston Churchill, needing 50 destroyers, and Franklin D. Roosevelt, wanting some more bases in the Caribbean, sat down and swapped.

Pan American Airways officials assert that the British now are adopting regulations which give their own British West Indies Airways an advantage in carrying passengers into the territory involved.

Under the Bermuda air agreement adopted this spring, planes of both nations were granted the right to use the United States military bases in Bermuda, Antigua, St. Lucia, and British Guiana.

UNITED STATES SPENT MILLIONS

During the war, the United States spent millions of dollars in establishing airfields there. Bulldozers pushed back jungles and leveled coral wastes. Broad runways and miles of taxi strips were laid down. Administrative buildings were constructed. The fields were used for maintaining antisubmarine patrols and as way-points in the long aerial supply line to Europe and the east.

Now that the bases have been opened to British and American commercial planes, Pan American Airways officials assert that British regulations are bringing on what amounts, to say the least, to considerable confusion.

Passengers who wait to fly via Pan American to Coolidge Field on Antigua, Beane Field on St. Lucia, and Atkinson Field in British Guiana, are told that they must have a personal letter of permission from the governor of the territory before they will be permitted to disembark.

LETTERS NOT AVAILABLE

Pan American has no way of knowing officially, but confused passengers have complained to their officials that those letters from the governor are not, in practice, forthcoming.

At the same time, passengers report that if they attempt to book a trip into one of those places via British West Indies Airways, nothing is said about the letter from the governor.

Pan American officials have been pressing, through diplomatic and private sources, to get the rule changed, but so far without too much success. In Antigua, for example, the requirement was waived for a time, but then reimposed.

They also maintain that the personal letter rule (besides being unfair to P. A. A.) if it is also imposed on B. W. I. A., also needlessly complicates the business of international travel in the Caribbean.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942—CONFERENCE REPORT

Mr. BARKLEY. Mr. President, I wish to announce that the House has adopted the conference report on the extension of the Price Control and Stabilization Acts. I do not know whether we shall receive a message from the House before we take a recess or not, but I wish to advise the Senate that as soon as practicable tomorrow after the convening of the Senate the conference report will be taken up for consideration.

TENNESSEE VALLEY AUTHORITY—CONSTRUCTION OF WATAUGA AND SOUTH HOLSTON PROJECTS

Mr. STEWART. Mr. President, a few days ago Mr. Lilienthal and his associates on the TVA came before the Appropriations Subcommittee of the Senate, of which the senior Senator from Tennessee [Mr. MCKELLAR] is chairman, and asked for an appropriation of $10,666,000, requesting that the active construction of the Watauga project be started immediately and that the construction of the South Holston project be started late in the fiscal year 1948.

To this the senior Senator from Tennessee strongly objected and told these gentlemen that he would offer the following amendment:

And of which $17,666,000 shall be available for the immediate resumption of construction and continued prosecution of the work on the Watauga and South Holston Dams with a view to the completion of the work on both dams at the earliest possible date.

After some argument Mr. Lilienthal was asked by the chairman whether, if the Congress approved the larger amount, he would proceed with the work, and he said he would.

Early in the hearing the chairman addressed a number of questions to Mr. Lilienthal concerning charges which had been made against the chairman by newspapers and others. The following is taken from the record:

The CHAIRMAN. Did I ever recommend any human being to you or to your Authority so far as you know to hold any office in your organization or any position in your organization?

Mr. LILIENTHAL. Senator, so far as I can recall, and I think I would recall, you have never urged the appointment of any individual.

The CHAIRMAN. I want to ask you another question. Did I ever, in any way, try to interfere with your internal affairs at all except to have you pay your receipts into the Treasury of the United States?

Mr. LILIENTHAL. Senator, if you mean by "personal interference," of course, no.

The CHAIRMAN. I saw in the newspapers a few days ago that you had paid $12,000,000 of your receipts into the Treasury. Was that correct or not?

Mr. LILIENTHAL. That is approximately the figure. To get it exactly, $12,597,000.

The CHAIRMAN. Do you intend, or expect, or have you made any arrangements to move your principal offices from Tennessee to Muscle Shoals?

Mr. LILIENTHAL. The answer to that is this, that we do expect and have, since the first recommendation made on that to the Bureau of the Budget in 1939, perhaps 1940, to move, and to build appropriate offices for the central administrative force, which is now in Knoxville, at Muscle Shoals. That would have to take place over a period of time. But that is and has been our intention.

The CHAIRMAN. Now, I want to go back to a little ancient history. Do you remember yours and Dr. Morgan's "yardstick" theory, that you build three or four dams, not exceeding four, to teach the private power companies what they should charge for power, and that you did not intend to go into competition with private power companies? That is a long, long time ago, but that was your theory then.

Mr. LILIENTHAL. It is a long time ago, but my recollection on it is clear. I never had the notion that that was our function.

The CHAIRMAN. The "yardstick" theory, you did not subscribe to that?

Mr. LILIENTHAL. Not in the way you describe it, Senator.

The CHAIRMAN. You remember the occasion, I know, and I know you were not in favor of those dams at that time. (That is the number of dams like the Chickamauga, Guntersville, Watts Bar, Gilbertsville, Fort Loudoun, and other dams.)

Mr. LILIENTHAL. If that is your recollection, I am sure you must have examined the record. I do not have a clear recollection about it.

The CHAIRMAN. I want to ask you this question, although I believe you have already answered it. I want to make it very specific: Do you recall that all of your dams were built by Senate amendments offered by me after the House had refused you appropriations except for the Douglas Dam?

Mr. LILIENTHAL. No, sir; I would not think that is correct.

The CHAIRMAN. Which one was not offered by me?

Mr. LILIENTHAL. My recollection is that every one of these dams, none of these dams, have been built except such as have been recommended by the TVA and recommended by the House.

The CHAIRMAN. They were approved after my amendments had been agreed to by the Senate, and they went to conference. I call your attention to Guntersville, Chickamauga, Hiwassee, Gilbertsville, Watauga, Fort Loudoun, Cherokee, and all the other dams.

Mr. LILIENTHAL. Senator, I remember any number of instances in which, as you say, dams recommended by the TVA were not approved initially in the House, and it was only when they got to the Senate that they were approved, and then in conference were retained.

The CHAIRMAN. I want to ask you this question, and I am led to it because the newspapers have so much to say about it lately, about my opposition to the TVA: Have I ever opposed an appropriation for the TVA? Do you know of any appropriation that I ever in my legislative history opposed for the TVA?

Mr. LILIENTHAL. I certainly do not.

The CHAIRMAN. There is this about it, Mr. Lilienthal, that the papers down there that publish these things are undertaking to distort the truth, and I want you to name any appropriation that I ever refused to give to the TVA for any dam. Now, just name a single solitary one. It takes appropriations to build dams. You know that. Now, can you name any appropriation, or any increase of an appropriation, that you have ever asked for to build a dam, that I refused?

Mr. LILIENTHAL. Senator, I think the record is already clear on that. I answered a direct question on that and I will be glad to repeat it, that all the appropriations—well, answering your question, the opposition to appropriations relating to dams relate in particular only to this particular item (the Douglas Dam), and in the end the appropriation was granted.

The CHAIRMAN. I want to know of any others.

Mr. LILIENTHAL. There are not any others.

The CHAIRMAN. That is what I wanted to know.

Mr. LILIENTHAL. Now, on the question of the broader word "opposition," that is a matter of construction. We have differed on a question of policy.

The CHAIRMAN. Only a question of policy.

Mr. LILIENTHAL. In relation to section 26; that is all. (Sec. 26, paying his receipts into the Treasury.)

The CHAIRMAN. In relation to putting your receipts into the Treasury of the United States. That is the only one, is it not?

Mr. LILIENTHAL. I have no recollection of any other one.

The CHAIRMAN. Now, I want to ask you this, in view of statements that have been made in newspapers: Are you or the TVA or any of the subordinates taking part in the senatorial campaign in Tennessee?

Mr. LILIENTHAL. No, sir.

The CHAIRMAN. Have you, as an individual, or as head of the TVA, contributed any money or other thing of value to anyone in the present senatorial or gubernatorial campaign?

Mr. LILIENTHAL. No, sir.

Mr. President, in the interest of saving time I ask that all the testimony on this subject be printed in the RECORD at this point as a part of my remarks.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

HISTORY OF RECOMMENDATION FOR DOUGLAS DAM

The CHAIRMAN. Do you recall that you first recommended these dams and then you thought that it would be better to build the Douglas Dam instead of these dams?

Mr. LILIENTHAL. Yes, sir.

The CHAIRMAN. I believe the House put the Douglas Dam in and we agreed to it, or did we agree to it first?

Mr. LILIENTHAL. I do not recall the details but I think the first way you stated it is correct.

The CHAIRMAN. Incidentally, that is the only dam that was started in the House, of all these dams; is that correct?

Mr. LILIENTHAL. I do not recall, but I think that is so.

The CHAIRMAN. That is my recollection.

COMPLETION FAVORED OF WATAUGA AND SOUTH HOLSTON DAMS

Now, whatever the past is, you now want to complete those dams.

Mr. LILIENTHAL. Yes. These dams are partly completed, and they are good projects. They are necessary projects. We believe now is the time to complete them.

The CHAIRMAN. I am glad to hear it.

NO TVA APPOINTMENTS RECOMMENDED BY SENATOR M'KELLAR

In 1945 you were present before the committee and I asked you a question and I want to ask that question again, now.

Did I ever recommend any human being to you or to your Authority, so far as you know, to hold any office in your organization or any position in your organization?

Mr. LILIENTHAL. Senator, so far as I can recall, and I think I would recall, you have never urged the appointment of any individual.

The CHAIRMAN. I am sure that is correct, and I want to thank you for that statement.

Mr. LILIENTHAL. If there are any exceptions I believe they would be purely formal recommendations.

ITEMS ON WHICH VIEWPOINTS DIFFERED

The CHAIRMAN. I want to ask you another question. Did I ever, in any way, try to interfere with your internal affairs at all except to have you pay your receipts into the Treasury of the United States?

Mr. LILIENTHAL. Senator, if you mean personnel interference, of course, no.

The CHAIRMAN. Any interference?

Mr. LILIENTHAL. If you mean a difference of viewpoint, of course, there have been some differences. They have been, however, related to the Douglas Dam, to section 26, or similar matters, so far as I know.

The CHAIRMAN. What is section 26?

Mr. LILIENTHAL. It concerns TVA's financial, fiscal policy.

The CHAIRMAN. That is, paying your receipts into the Treasury of the United States.

HISTORY OF SUBSTITUTION OF DOUGLAS DAM

As to the Douglas Dam, you recall that while I favored the building of the Holston River Dam and the Watauga first, that I agreed and the committee agreed, and that was done, and that the next year I put in, without recommendation from you, these two dams that we are now talking about. Is not that right?

Mr. LILIENTHAL. My recollection is somewhat different on those dams. My recollection is that your position was that these two dams be substituted for the Douglas Dam when it was recommended.

The CHAIRMAN. That is right.

Mr. LILIENTHAL. And the Holston projects were approved by Congress ahead of Douglas Dam.

The CHAIRMAN. All of them were put in.

Mr. LILIENTHAL. Yes, sir. The difference there was a matter of timing. We always agreed with you and you agreed with us that these upper Holston dams should be built. The question was when construction should be undertaken.

The CHAIRMAN. That is fine, and that is correct.

PAYMENT OF PROCEEDS INTO THE TREASURY

I saw in the newspapers a few days ago that you had paid $12,000,000 of your receipts into the Treasury. Was that correct or not?

Mr. LILIENTHAL. That is approximately the figure. To get it exactly, $12,597,000.

The CHAIRMAN. That is as I remember it. You say that is correct?

Mr. LILIENTHAL. Yes, sir.

The CHAIRMAN. If you are opposed to the principle of your organization paying its moneys into the Treasury, why did you pay that $12,597,000?

Mr. LILIENTHAL. The payment of $12,597,000 was in accordance with the provisions of section 26 of the act in which we believe, and which we have urged, should not be changed. That section provides that 6 months after the end of the fiscal year such funds as the Board finds are not required for the purposes specified in section 26 shall be paid into the Treasury.

DIFFERING VIEWS AS TO PAYING WHOLE GROSS RECEIPTS INTO THE TREASURY

Our difference, Senator, was that we believe in the system of payment to the Treasury as set out in section 26 and as I understood your position you believed that section 26 which permits the use of receipts for certain operations described in that section, should be replaced with a general provision that currently, from day to day, all TVA receipts should go into the Treasury and that operating expenses should depend on appropriations.

The CHAIRMAN. That is right. Just like the Post Office Department and just like every other of the many departments of the Government. That is correct. That is the difference.

Mr. LILIENTHAL. That is the difference.

The CHAIRMAN. So far as I know that is the only difference. I do not recall any others.

Mr. LILIENTHAL. It was a difference about management policy, and we did our best to persuade each other.

The CHAIRMAN. And under that section you paid in $12,597,000.

Mr. LILIENTHAL. Under section 26; yes, sir.

TRANSFER OF OFFICES TO MUSCLE SHOALS

The CHAIRMAN. Do you intend, or expect, or have you made any arrangements to move your principal offices from Tennessee to Muscle Shoals?

Mr. LILIENTHAL. We do expect and have, since the first recommendation was made to the Bureau of the Budget in 1939 or 1940, to move, and to build appropriate offices for the central administrative force, which is now in Knoxville, at Muscle Shoals. The move would have to take place over a period of time. That is and has been our intention.

The CHAIRMAN. Then that is what you intended to do, and that was the substance of a statement that you gave out to the papers not a great while ago. I do not recall just when it was. They might have taken it from your report, but wherever they got it, I saw it in the papers.

RECOLLECTIONS OF ADVOCATING "YARDSTICK" THEORY

Now, I want to go back to a little ancient history. Do you remember your and Dr. Arthur Morgan's yardstick theory, that you build three or four dams, not exceeding four, to teach the private power companies what they should charge for power, and that you did not intend to go into competition with private power companies? That is a long time ago, but that was your theory then.

Mr. LILIENTHAL. It is a long time ago, but my recollection on it is clear. I never have had the notion that that was our function.

The CHAIRMAN. The yardstick theory, you did not subscribe to that?

Mr. LILIENTHAL. Not in the way you describe it, Senator. So far as the number of dams to be constructed is concerned, that was set out in a report of our Board to the Congress in 1936. It was called the unified development of the Tennessee River system, and provided for the building of virtually all the dams that have now been built.

HISTORY OF SENATE AMENDMENTS FOR CONSTRUCTION DAMS

The CHAIRMAN. But before that you and Dr. Morgan had wanted to limit the dams. In order to refresh your memory I will ask you if you do not recall on one occasion prior to 1936 when the Guntersville and the Chickamauga Dams were up. You and Dr. Morgan came to me, at the time I had offered the amendments in the Senate, and urged me not to do it, that you advised not to go into competition with the private power companies, and that you did not want those dams built, and you urged me to withdraw my amendment. You remember that occasion, I am sure.

Mr. LILIENTHAL. No, Senator, that is a long time ago, but I am sure this is true. My recollection checks with yours to this extent: We undoubtedly did have a difference of opinion about the Chickamauga Dam but only as to time construction should begin.

The CHAIRMAN. But you did not want it that year.

Mr. LILIENTHAL. My recollection is that we thought the Hiwassee Dam should be built ahead of the Chickamauga Dam. I would have to check that. But that is simply a question of when the dam should be built.

Whether the dam should be built or not, I think we were always in agreement that this whole system should be built.

The CHAIRMAN. I want to ask you the same question, and I am sure you will remember the question asked previously. You and Dr. Morgan came to my office at the time when I offered an amendment to build the Guntersville Dam, the Chickamauga Dam, the Hiwassee Dam, and the Gilbertsville Dam, all four, for authorization to have them built and to furnish an appropriation for it. I remember your coming to me and asking me to withdraw my amendment, certainly for that year. I was surprised that you did not remember.

Mr. LILIENTHAL. Senator, I do not want to get into a controversy over that.

The CHAIRMAN. No; but I do want to get the facts.

Mr. LILIENTHAL. I do want to say this, that if there were such differences, and it is quite possible that there were differences, they would relate to engineering matters. It is very much like this Watauga and South Holston business.

The fact that for engineering reasons we would recommend that one dam be built ahead of another does not mean we are against the second one. It is our responsibility to make recommendations based on engineering data. It simply means, from an engineering point of view, that that is the most efficient way of scheduling such construction.

The CHAIRMAN. You remember the occasion, I know, and I know you were not in favor of those dams at that time.

Mr. LILIENTHAL. If that is your recollection, I am sure you must have examined the record. I do not have any recollection about it.

The CHAIRMAN. We will leave that alone.

I want to ask you this question, although I believe you have already answered it; I want to make it very specific: Do you recall that all of your dams were built by Senate amendments offered by me after the House had refused you appropriations except for the Douglas Dam?

Mr. LILIENTHAL. No, sir; I do not think that is correct.

The CHAIRMAN. Which one was not offered by me?

Mr. LILIENTHAL. My recollection is that except for the projects under consideration now, construction on none of these dams has been started until they had been recommended by the TVA and approved by the House.

The CHAIRMAN. They were approved after my amendments had been agreed to by the Senate and they went to conference.

I call your attention to Guntersville, Chickamauga, Hiwassee, Gilbertsville, Watauga, Fort Loudoun, Cherokee, and all the other dams. They were just exactly like the situation here today. For some reason the House Members did not agree to these appropriations, and when they came to the Senate, just like I expect my committee to do today, I offered an amendment. I am going to offer an amendment to get them in and then do everything within my power to get the House conferees to agree, and I hope to heaven they will, because I regard this as the final steps taken in one of the greatest projects that I have ever had anything to do with. It is one of the crowning projects of my legislative life, and I am very anxious to get it through.

But I recall very distinctly, and the record here shows, with the exception of the Douglas Dam and the two first dams that were built—Cove Creek Dam and the Wheeler Dam, which were built by allotments that I got the President to make from the WPA and which were continued by allotments I got from the President from the successor of it, the PWA—we got an appropriation, you remember. And possibly the Pickwick.

The first dams that we ever appropriated the money for were the Wheeler and the Cove Creek, which was afterwards called the Norris Dam. That is correct, is it not?

Mr. LILIENTHAL. Senator, do I remember a number of instances in which, as you say, the construction of dams recommended by the TVA was not approved in the House initially, and it was only when they got to the Senate that they were approved, and then in conference were retained.

From 1940 on, I think, however, the dams TVA recommended were first approved in the House. However, the record will show that.

NO TVA APPROPRIATION OPPOSED BY SENATOR M'KELLAR

The CHAIRMAN. I want to ask you this question, and I am led to it because the newspapers have so much to say about it lately, about my opposition to the TVA: Have I ever opposed an appropriation for the TVA? Do you know of any appropriation that I ever in my legislative history opposed for the TVA?

Mr. LILIENTHAL. I do not.

The CHAIRMAN. Your people down there, your supporters and your newspapers, and you have some newspapers down there that seem to be under your control, have frequently said that I was opposed to the TVA. What possible phase of the TVA have I ever opposed? Can you think of one?

Mr. LILIENTHAL. Senator, if you will permit me, I should like to ask you to take out of the question the reference to "controlling newspapers." I am sure you did not mean that.

The CHAIRMAN. I know there are certain newspapers down there that are talking about my opposition to the TVA all the time, and it is so untrue that I feel that it is my duty to myself, as well as to you, that the facts might be known.

You know I have never opposed any appropriation of the TVA. Is not that true?

Mr. LILIENTHAL. We have had differences, and some of them have related to appropriations, as, for example, the Douglas Dam.

The CHAIRMAN. That is where I gave in and approved it, and the record here shows it, and we passed a law approving it, and it was done with my vote as well as other votes. That is true, is it not?

Mr. LILIENTHAL. As far as I am concerned I do not see any advantage in emphasizing what the differences were with respect to Douglas Dam.

The CHAIRMAN. There is this about it, Mr. Lilienthal, that the papers down there that publish these things are undertaking to distort the truth, and I want you to name any appropriation that I ever refused to give to the TVA for any dam. Now, just name a single solitary one. It takes appropriations to build dams. You know that. Now, can you name any appropriation, or any increase of an appropriation, that you have ever asked for to build a dam, that I refused?

Mr. LILIENTHAL. Senator, I think the record is already clear. I have answered a direct question on that already. I will be glad to repeat in answer to your question that so far as I know, opposition on your part to appropriations for dam construction is limited to Douglas Dam, and in the end that appropriation was granted.

The CHAIRMAN. I want to know of any others.

Mr. LILIENTHAL. There are no other cases.

The CHAIRMAN. That is what I wanted to know.

DIFFERING VIEWS AS TO PAYING WHOLE GROSS RECEIPTS INTO THE TREASURY

Mr. LILIENTHAL. Now, on the question of the broader word "opposition," that is a matter of interpretation. We have differed on a question of policy relating to the management of TVA.

The CHAIRMAN. Only a question of policy.

Mr. LILIENTHAL. As expressed in section 26 of the TVA Act.

The CHAIRMAN. In relation to putting your receipts into the Treasury of the United States. That is the only one, is it not?

Mr. LILIENTHAL. At the moment I have no recollection of any other one.

POLICY AND PRACTICE OF TVA AS TO EMPLOYEES PARTICIPATING IN POLITICAL CAMPAIGNS

The CHAIRMAN. Now, I want to ask you this, in view of statements that have been made in newspapers: Are you or the TVA or any of the subordinates taking part in the senatorial campaign in Tennessee?

Mr. LILIENTHAL. No, sir.

The CHAIRMAN. Have you, as an individual, or as head of the TVA, contributed any money or other thing of value to anyone in the present senatorial or gubernatorial campaign?

Mr. LILIENTHAL. No, sir; and I would like to expand on that statement.

The CHAIRMAN. Are any of your officers taking part in that campaign?

Mr. LILIENTHAL. No.

The CHAIRMAN. Now I will be very happy to have you expand on your statement.

Mr. LILIENTHAL. I would just like to restate what I stated last year about the policy of our Board and the management of the TVA with respect to the question you have raised of participation by our officials or employees in any kind of political campaigns.

At the very beginning of the TVA, before there was a Hatch Act, before there was a national policy on the question——

The CHAIRMAN. And you have a prohibition in your own act, too.

Mr. LILIENTHAL. In part because of certain provisions of the TVA Act we formulated a policy which goes beyond what later became the Hatch Act with respect to the participation of officers or employees in political matters, and political campaigns, even including local campaigns. Our policy went pretty far in the sense that it kept a lot of good citizens out of local affairs when for the community it perhaps might be better if they participated, but we thought it wise to make the rule very broad.

The penalties for violation were to be drastic, and fortunately I think there have only been two or three cases in all these years when discipline was required.

Now, bringing it down to the senatorial campaign, there is no reason to believe that that policy will not be observed in both the letter and the spirit in any future campaign.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6042) to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1654) to provide for the registration and protection of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

Sundry candidates for appointment and promotion in the Regular Corps of the United States Public Health Service.

By Mr. JOHNSON of Colorado, from the Committee on Military Affairs:

Sundry officers for promotion in the Regular Army of the United States; and

Sundry officers for appointment, by transfer, in the Regular Army of the United States.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That completes the calendar.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 26, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 25 (legislative day of March 5), 1946:

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

John S. Hooker, of Maryland, to be United States Alternate Executive Director of the International Bank for Reconstruction and Development for a term of 2 years and until his successor has been appointed.

UNITED STATES MARITIME COMMISSION

Granville Mellen, of Mississippi, to be a member of the United States Maritime Commission for the unexpired term of 6 years from September 26, 1944.

IN THE NAVY

The following-named officers to the ranks indicated in the line of the Navy:

(Asterisk (*) indicates officers who will be designated as EDO officers upon receipt of their acceptance)

TO BE LIEUTENANT COMMANDERS

*Charles E. Briner	*Harold W. Keopka
Dale E. Collins	Harrison G. White

TO BE LIEUTENANTS

Harry A. Adams, Jr.	Eric C. Lambart
*Ralph V. Anderson	*John W. Malley
*Paul J. Burr	*Martin W. Mason
Wesley W. Carlson	Freeman D. Miller
Frank A. Dingfelder	George L. Phillips
Henry W. Dusinberre	Frank R. Putnam
George O. Gjoerloff	*James C. Radford
*James D. Hardy	*George B. Raser 3d
Charles B. Henriques	*Jack S. Stewart
Elgin B. Hurlbert	Peter K. Wells
Keith M. Krieger	Robert P. Winkel

TO BE LIEUTENANTS (JUNIOR GRADE)

George W. Albin, Jr.	Charles A. Lamborn
Richard A. Beveridge	Richard J. Lavery
Frank A. Bewley	Joseph T. Lawler
Daniel Bontecou	Charles L. Lipham
Carroll W. Brigham	William M. Lowry
*Parker E. Cherry	Perry R. Mansfield
*Paul T. Coil	Charles H. Mead
*Robert I. Cozzens	Thomas O. Murray
Carl R. Cunninghan, Jr.	Clarence W. Petrie
	*Harry D. Pickett
James W. Daniel, Jr.	Herbert F. Rommel, Jr.
George E. Dawson	Arthur M. Savage
Robert G. Dose	Albert P. Scott
Oscar W. Goepner	Edwin A. Shuman, Jr.
Donald M. Granstrom	Adolf L. Siegner
Orville E. Hardcastle	Franklin C. Snow
James E. Hartung	*Geoffrey Thompson
Reed K. Henderson	*William J. Van Meter,
Joseph M. Hermanson	Jr.
*Edward W. Hribar	Byron D. Voegelin
*William D. Hudgins	William E. Wallace
William A. Keefe	

TO BE ENSIGNS

James W. Abbott, Jr.	Carl S. Baker
Lawrence W. Abbott, Jr.	William B. Baker
	Merritt W. W. Baldwin, Jr.
Stanley F. Abele	
*Charles T. R. Adams	Robert N. Bale
David L. Adrian	George A. Bane
John F. Ahearn, Jr.	Fred "G" Barham
Robert J. Ahern	Paul R. Barker
James H. Airheart	Marion F. Barnett
Edgar L. Allen	James B. Barnette
Thomas E. Altgilbers	Harry R. Barnhorst
Joseph B. Ambler	Ralph L. Barnum
John B. Amos	Edmond A. Basquin
Harvey M. Andersen	Henry H. Bate, Jr.
Anthony L. Anderson	John F. Bauman
David G. Anderson	Wayne A. Baumgartner
*Frederic W. Anderson	Troy C. Beavers
George H. Anderson	*John C. Beckett
Scott K. Anderson	Albert J. Beede
Bernard A. Andrade	Herman C. Lehnke
*Richard Andrews	John R. Behr
Robert T. Andrews	Leo H. Benker
Theodore L. Appelquist	Ezra R. Bennett
	LeRoy E. Bennett
George A. Arbogust	David W. Benson
Robert G. Armstrong	Herbert V. W. Bergamini
Joseph F. Arrigoni	
Charles V. August	Robert B. Bergner
Joseph J. August	Samuel B. Berrey
Julian Aulich	William K. Bickenbach
Harvey H. Avants	John R. Bicknell
Edwin R. Ayres	George W. Bird
John C. Azab	Ralph F. Bishop
*Philip B. R. Baas, Jr.	John A. Black
Joseph J. Bacak	Donald M. Blake
Julius J. T. Bachman	Gordon Blake
Omer R Badger	Norman Blam
Herbert E. Bailey	James L. Bloom

Paul J. Bloom
Francis W. Bloomer
*Roger E. Boak
Charles H. Boldt, Jr.
David L. Bond, Jr.
Arden P. Bonner, Jr.
Robert F. Boord
Cecil W. Boswell
Jack F. Bouldin
David A. Bowdoin
Charles H. Bowen, Jr.
William D. Bowen
Fred Y. Boyer
William G. Boyer
Wilfred K. Bradbury
Oscar S. Braddock, Jr.
William S. Bradway, Jr.
Thomas J. Brady
Titus Branchi
Ferdinand L. Brand
Walter J. Brauer
Leo A. Braun
Charles E. Breen, Jr.
Cleon A. Brewer
Clarence P. Broadfoot, Jr.
James K. Brock
Charles P. Brooks
Clarence M. Brooks
Charles A. Brown, Jr.
Harry J. Brown, Jr.
Russell E. Brown
Robert E. Brownlee, Jr.
Joseph W. Brumbach
George D. Brundige
David Bryan, Jr.
George Buben
Clyde E. Buchanan, Jr.
Lawrence E. Budnick
Robert L. Buell
Lemuel P. Bumpers
John F. Burdoin
Emery L. Burgess
Wilbur J. Burgin
Noel A. Burkey, Jr.
Robert W. Burkhart
Robert M. Burnell
Harry A. Burns, Jr.
Robert E. Burrell
Lindsay L. Buswell
John L. Butler, Jr.
George J. Buyse
Ambros W. Byrd
Robert F. Byrnes
Jesse F. Cable
Ernest M. Cadenas
Adrian G. Cairns, Jr.
Robert J. Callahan
Richard J. Camp
William H. Camp
William A. Campbell, Jr.
Donald J. Canna
*Clifton E. Cantlon
Robert D. Carleton
George G. Carr
Winthrop W. Carr
Robert M. Carroll
Harry E. Carter
Gerald F. Case
Columbus F. Cauthen, Jr.
Lucian M. Cayce
Charles H. Chamberlain
Lewis C. Chamberlin
Terry M. Chambers
Laurin C. Champion
Ray E. Chance
Kenneth J. Chapman
Oscar I. Chenoweth, Jr.
Harry P. Chess
Wesley E. Chessman
William H. Christensen
Robert L. Clarke
Lane E. Clendenin
Duane M. Clough
Harry H. Cloutier
Paul A. Coari
Edward L. Colley
Henry D. M. Collins
Wilbur P. Collins
*Willard C. Collins
Paul C. Combs
Edwin S. Conant
Elton V. Conger
Seward B. Coningham
John M. Connolly, Jr.
Walter E. Constance
Elmer A. Conzett
George C. Cook
Emmett M. Cooke, Jr.
Walter Cooper
Steven T. Cornelius-sen
Leland B. Cornell
John E. Coste
John C. Costello, Jr.
John S. Cowart
*Harry C. Cox
*John H. Craft, Jr.
William D. Craig
*Kenneth W. Cramp
Grover W. Crawford
*William R. Crawford
Victor E. Crews
Eugene F. Criner
Gordon E. Crosby, Jr.
Armand C. Crossen
Carl M. Cruse
Herschel M. Cummins, Jr.
William E. Cummins
William D. Curry
Clifford B. Curtis, Jr.
Robert L. Cusick
Franklin J. Dailey
*Lowell P. Daniels
Marion Dargan, Jr.
Paul D. Davidson
William A. Davidson
Calvin R. Davis
John F. Davis
Leon F. Davis
Lewis E. Davis, Jr.
Maxey B. Davis
Robert J. Davis, Jr.
William D. Davis, Jr.
Richard R. Davison
William Deacon 3d
James S. Dearth
Harold J. DeBray
Paul J. Dee
Harold L. Defenbaugh
Philip L. Defliese
Kenneth A. De Ghetto
Raymond L. Dehler
Gregory L. Deliyanne
Walter J. Dempsey
Lewis E. Derry
Ralph "E" De Vore, Jr.
Lawrence A. Dewing
Melvin J. Dillon
Samuel H. Dinsmore
Harry C. Dittler
Eugene D. Dodson
Joseph F. Dorrington
Alan Dougall
Kenneth G. Dougherty
Daniel E. Douglas
Anderson M. Dowling
Robert C. Downing
James P. Doyle
Philip P. Doyle
William J. Doyle
*Francis X. Driscoll
*Lowell F. W. Duell
James H. Duncan
Donald L. Dunklee
James W. Durborow
Harold S. Durfee
Gordon A. Durna
Robert C. Dykins
Stuart T. Edgerton, Jr.
Francis E. Edmunds
Eldon L. Edwards
John Q. Edwards 3d
Robert W. Edwards
Donald D. Egly
David L. Ellis
Robert M. Ellis
Harry O. Enderson
Douglas K. English
*George S. Essenwine
George G. Estes, Jr.
*Willard A. Ethridge
Harry W. Evans
Martin L. Everhart, Jr.
Adelbert R. Evers
*Douglas G. Ewen
John W. Fair
George W. Fairbanks
Edward Falkowski
John E. Farrell
Richard S. Farrington
Thomas J. Fatkin
Richard E. Favreau
Joseph E. Feaster
Alfred J. Fecke
Clyde H. Fellows, Jr.
Jack Felsman
Benjamin Fern
*Edwin D. Ferretti
Herman C. Finkel, Jr.
Joseph C. Finnigan
Robert L. Finucane
Lowell E. Fisher
Mark E. Fitzgerald
Mayo M. Fitzhugh
*John P. Fitzpatrick
Max Flack
Bernard A. Fleck
John H. Flook
Joe H. Floyd
Albert H. Folensbee
John A. Foley
Thomas W. Foley
Walter A. Foley
Arlo Ford
William R. Ford
Harold M. Forrest
Edward D. Foye, Jr.
*Ralph E. Frank
Richard B. Franklin
Edward D. Franz
Dean M. French
Ferris L. French, Jr.
Paul V. French
Whitman H. Frick
Jack L. Fruin
William H. Funston
Joseph G. Galligan, Jr.
Bernard L. Garbow
John T. Garrow
Hugh M. Garvey
Richard S. Garvey
Donald E. Gately
James L. Gates
Leon W. Geer
Jerome D. Geisler
*Duane J. Gerry
Paul L. B. Gesner
James T. Gheen
Thomas E. Gibbs
Frank A. Gibe, Jr.
Ronald P. Gift
Robert C. Gilchriest
William L. Gill
Paul R. Goddard
Francis G. Gooding, Jr.
Harold J. Goodnow
Joseph H. Goodpasture
Winslow W. Goodwin
Donald W. Gordon
Erving L. Gordon
Robert G. Gorman
George A. Gowen
Homer C. Grasberger
Gerald C. Gravius
Robert J. Gray
Floyd J. Greene
*Carl F. Greer
Donald D. Griffey
Mitchell C. Griffin
Ralph I. Grigsby
John W. Gross
Robert H. Gulmon
Leonard A. Gundert
Joe M. Gunn
Donald M. L. Hager
Paul A. Haider
George D. Haines
Alfred J. Hall, Jr.
Stephen P. Hall
James E. Hammerstone
*Benjamin J. Haney, Jr.
Daniel H. Hanscom
Robert F. Harbison
Clarence C. Harbour
Terry Hardenberg
James H. Hardy
William W. Hargrave
James H. Harms
Charles B. Harrington
Raymond M. Harris
Thomas S. Harris
John R. Hart
*Frank R. Hartin
Gordon E. Hartley
Richard R. Hartwell
Edward S. Haugen
William S. Hawkes
Rupert D. Hawley
George A. Hayes
Eugene J. Healey, Jr.
Robert J. Healy
William J. J. Heffernan
Edward A. Heflin
Frederick J. Heiler
William A. Helsell
Bert L. Hendrickson
*Richard H. Henry
John R. Herb
Stanley E. Herbst
George L. Herider
Auburn W. Herron
John B. Herweg
Paul J. Hidding
Douglas Hill
Hollis H. Hills
Harlow Hines
Wilbur F. Hiser
Harold E. Hobson
Ronald W. Hoel
Paul J. Hoffman
Charles H. Hoke
David B. Holland
George E. Hollingsworth
John C. Holloway, Jr.
David C. Holly
Richard A. Holmes
Albert T. Holt
Leahman J. Holt
Hermann K. Hopper
Joseph W. Hopson
Thomas L. Horner
William R. Horton, Jr.
Alexander J. Houghton
Carl L. Howard
Macauley Howard
Robert S. Hoyle
Johan D. W. Hubbeling, Jr.
Woodrow Huddleston
Miller N. Hudson
Walter F. Huff
Albert "G" Hughes
Victor F. Hulstrand
John C. Humphreys
Robert S. Huston
Donald E. Ideker
Meryl A. Iiams
John W. Ingham
Charles W. Ireland
LeRoy E. Irvin
Charles W. Iverson
Sterling H. Ivison, Jr.
*Harry A. Jackson
Henry T. Jacobsen
Richard C. James
Ralph C. Janes
Michael Jarina
James D. Jenkins
Robert S. Jensen
David M. Jeter
Delmar K. Johannsen
Charles W. Johnson
Elmer O. Johnson
Harold J. Johnson
Henry J. Johnson
Keith V. Johnson
Jesse B. Jolly
Paul M. Jones
Thomas C. Jones, Jr.
John T. Jordan
"C" "Y" Justiss
Peter Karonis
Melvin C. Keebaugh
Arthur P. Keegan, Jr.
Frank M. Keele
Warren E. Keene
Richard E. Keister
LeRoy W. J. Keith
Harry M. Keller
Paul W. Kelley
Thomas J. Kelley
Stephen F. Kelley
Michael D. Kelly
Thomas D. Keller
Jefferson Kennedy, Jr.
*Raymond F. Kerr, Jr.
Charles J. Keener
Rufus B. Keys, Jr.
William N. Kidwell, Jr.
Robert W. Kieffer
Samuel B. Killingsworth
David A. King, Jr.
James P. King
Robert E. King, Jr.
Robert J. King
William D. King
James J. Kinsella
William A. Kistler
James R. Kittrell
Willard Kitts
William W. Kitts
Orville O. Klibbe
*Elwyn R. Knickel
Harry Knickelbine
James H. Knight
Robert J. Knoernschild
Eugene L. Knowles
George J. Koehler
Ernest J. Korte
Peter Kooyenga
Wendell S. Koozer
Clarence E. Kuldell
Kay L. Kyle
*Richard H. Lachman
Raymond W. Lamka
James S. Lampe
Ariel L. Lane
Richard H. Langdon
James R. Langford
William J. Langner
William J. La Plante
Gene R. LaRocque
Clyde Lasswell
Melvin W. Lee
Preston P. Lee
William L. LeForge
Russell C. Lemert
Robert "H" Lemmon
David D. Lewis
Harold S. Lewis
Elvin L. Lindsay
George A. Linville, Jr.
Robert L. Livingston
Richard M. Lockhart
David F. Loomis
Frank B. Lopez
Jacque W. Lorch
George W. Loveridge, Jr.
Philip H. Lowry
*Philip E. Lucas
William T. Luce
Kenneth J. Ludwig
Michael T. Lulu
Owen Lyons
Delbert W. Mac Faden
Laurence E. MacFawn
John R. Mackie
*Donald W. Mackiernan
Bobby S. Macklin
John A. Malcomson
Bruce T. Mallory
Robert E. Malmfeldt
Victor E. Marriott
Jack S. Morrow
Bela J. Martin
Charles F. Martin
Robert B. Martin, Jr.
Leonard P. Mathias
Gerard M. Mauer, Jr.
Elwin C. Maupin
Robert C. May
John R. Mayher
*Raymond A. Mazalewski
*Paul H. McAfee, Jr.
William E. McBride
Bernard E. McCabe
Charles McCandliss, Jr.
Arthur J. F. McCarthy
Elwood C. McCoy
Homer A. McCrerey
*Paul W. McEntire
George E. McGovern, Jr.
Clair A. McGuire
Richard P. McHugh
Robert W. McKee
Charles N. McKenna
*Milton L. McKenna
John B. McKinny
William E. McLaughlin
Hugh F. McLinden, Jr.
John J. McMonigle
Edwin F. McNeil
Joseph B. McNeill
Edgar L. McNett
Willard J. McNulty
John H. McSparran
Thomas S. S. Medford
Russell C. Medley
Orville M. Meek
Robert B. Meihaus
Charles M. Melhorn
James W. Mercer
Donald Michie
Emil Mikich
George V. Miller
John A. Miller
Myrl R. Miller
Raymond A. Miller
Jack O. Mills
Robert K. Minard, Jr.
Ray P. Minniear
George C. Moffatt
Gerald M. Monroe
Harold A. Moody, Jr.
Loren D. Moody
Horace B. Moranville
Harold J. Morehouse
Allen C. Morgan
Rutherford B. Morgan
Theodore P. Morgan
John N. O. Mork
George M. Morlier
Lloyd C. Morris
William J. Murray
Leonard N. Nearman
Robert S. Neasham
*William G. Neese
John D. Nevins
*Arthur F. Newell, Jr.
William E. Nicholson, Jr.
Walter F. Nickel
Arthur G. Noehren, Jr.
James H. Norman
Hugh G. Nott
Edward D. Nunnery
Clifford J. Oas
William B. O'Brien
John C. O'Connor
Allen D. Oder
Roderick I. O'Flaherty
*Elliott E. Okins
*Harry J. Older
Dorman S. O'Leary
Donald K. Olson
Willard W. Olson
Henry J. O'Neara, Jr.
Earl A. Orr

Edward F. Osborn
John G. Osborn
*Herbert E. Ost
Richard C. Pantall
Lawrence E. Parsneau
Joseph Pasterchik
Daniel R. Paul
Alvin E. Pawelczyk
Douglas C. Pearson
Forrest A. Pease
Everett H. Pelley
Tom A. Perkins
Herrick R. Peterson
Christopher C. Petroff
Harley J. Pierce
Alden M. Pierpoint
Wayne J. Pike
Robert E. Pine
William Pinkey
Paul Podbielski
Roby E. Poffenberger
James W. Porter
Philip W. Porter, Jr.
Richard M. Price
Francis H. Pritchard, Jr.
Erman O. Proctor
Charles S. Quinn, Jr.
Harry T. Quinn
Irving Radtke
Encil E. Rains
Jerome A. Rapp, Jr.
George S. Rawson
Richard G. Redmond
Charles W. Reed
Marvin Reed
Stephen H. Reed
John S. Reef
*Ira F. Reese
Robert W. Reese
Edwin H. Reeves
Donald A. Regan
John D. Reichel
Andrew H. Reid
Joseph L. Reilly, Jr.
Robert C. Rice
Gerald S. Richey
*Spencer Reitz
Richard R. Renaldi
Robert Ricks
Robert D. Rinesmith
Erhard V. Rinner
Roy Riser
James R. Risley
Floyd M. Ritchie
John W. Roberts
Marlin D. Roberts
Evans J. Robinson
*Russell I. Robinson
William H. Robison
James C. Rock
Charles E. Rodgers
*Harry C. Rodin
George F. Roe
Bernard L. Rogers
William E. Rohde, Jr.
George H. Rood
Jerome J. Rossillon
Leonard P. Ruch
William C. Ruddick
Guiseppe A. Rullo
John W. Ryan, Jr.
William J. Ryan 3d
Rowan H. Salyer
Francis R. Sanborn
Howard E. Sanders
Rodney D. Sanders
Edward A. Sandor
*Keith N. Sargent
John E. Schaefer, Jr.
Delmar A. Schatz
*Philip A. Scheuble, Jr.
Paul W. Schlegel
Stanley C. Schold
Russell C. Schubert
*Leo L. Schweers
Ralph J. Schweinefuss
Merlin J. Schwitters
Robert A. Scurlock
Henry V. Sebach
Gorden N. Selby
Clifford H. Selden, Jr.
Jimmie J. Sellars
Richard L. Shafer
Elbert B. Shane
George H. Sharp
William H. Shaw
George F. Silvani
Royce A. Singleton
John J. Skahill
Stanley E. Sloan
Alan C. Smith
Austin B. Smith
Benedict J. Smith
Eugene C. Smith
Gerald W. Smith
Harold T. Smith, Jr.
John W. Smith
Judson L. Smith
Michel F. Smith
Nicholas J. Smith 3d
Robert J. O. Smith
Virgil A. Smith, Jr.
Charles A. Soderlund
Arthur L. Scholt
Robert L. Sollenberger
William H. Sours
James H. Spalding
Ralph C. Spears
Curtiss Sprague
George W. Staeheli
Howard L. Stalnaker
Harry C. Stanley
Raymond R. Steltzner, Jr.
Walter B. Stephens
Robert S. Stockwell
Renold W. Stoppelmann
Stanford E. Storey
John R. Strane
Edmund J. Stronski
Allan H. Stubbs
John M. Suddreth
John P. Sullivan
*Philip H. Sullivan
William A. Sutherland
Thomas L. Sutton
*Dean H. Swain
Bradford G. Swonetz
Elza F. Tate, Jr.
Lamar S. Taylor
William D. Taylor
*Frederick W. Teepe
*William S. Tenhagen
Raymond J. Tennant
Samuel M. Tharp, Jr.
Ted R. Tharp
George E. Thelen
John L. Thom
Charles F. Thomas
Richard E. Thomas
Allen "B" Thompson
David H. Thompson
George E. Thompson
Herbert S. Thompson
Boyd Thomson
Richard H. Tibbets
Charles E. Tilden
Warwick M. Tinsley, Jr.
William J. Tipler
Buster E. Toon
Harris O. Torgerson
Albert R. Totino
Ygnacio T. Toulon 3d
Stanley B. Tracy, Jr.
Richard C. Tripp
William W. Tucker
Charles W. Turner 3d
Don B. Turner
Jack D. Turner
Freeman N. Tuttle
Theodore K. Ulrich
Donald E. Umphfres
Robert D. Unruh
James C. Ussery
Robert W. Vail
Lowell W. Van Tassel
John C. Vasse
James B. Vaughn
Wintford E. Verkin
Hubert L. Via
Alfred C. Viebranz
Francis E. Vincent
Harold E. Vita
John "P" Vivian, Jr
Stanton W. Waddell
Robert J. Waddick
Arthur R. Waggener
Douglas J. Wagner
Donald E. Walker
Charles U. Walkley
Charles B. Wall, Jr.
*David M. Walley
Fred M. Walters
Harold W. Walters
*Donald F. Walton
Frank K. Warnock
George R. Warren, Jr.
Doyle D. Watkins
Wayne W. Watkins
Omer L. Watson
Joe "W" Watts
Darrell E. Way
Curtis A. Weaver
Sydney R. Weed
Donald H. Weidig
Eugene P. Weinert
David F. Welch
Richard H. Weller
Thomas R. Weschler
William D. Wessinger
Jack West
James C. West
French R. White, Jr.
William B. Whitehurst
Richard W. Widdicombe
John A. Wiegard
Frederick C. Wienholz
Harmon F. Wietz
Charles L. Wilcox
William H. Wild
Malcolm A. Wilkinson
Martin T. Williams, Jr.
Thad "R" Williams
*William S. Willis
Lawrence E. Willson
Archer W. Wilson
Frederick C. Wilson, Jr.
James C. Wilson
James R. Wilson
*William Ralph Wilson
William Ross Wilson
Edward E. Wood
Thomas K. Wood
Robert F. Woody
David D. Work
Alton H. Worrall, Jr.
George L. Wrenn
John R. Wright
William W. Writt
*Frederick L. Yeo
Herbert M. Young
Neil W. Young
William H. Youngblood
James R. Zeitvogel
Richard T. Zettel
*Stanley Ziemba
David W. Zimmer
Donald Zimmerman, Jr.
Milton A. Zimmerman
Orville A. D. Zylstra

The following-named officers to the grades and ranks indicated in the Medical Corps of the Navy:

TO BE SURGEONS WITH THE RANK OF LIEUTENANT COMMANDER

George G. Burkley
Harry H. Haight
Clinton K. Higgins
Gerald A. Hopkins
Herman P. McCrimmon
John R. Phillips
Charles W. Reeder
William M. Russell
Christopher C. Shaw

TO BE PASSED ASSISTANT SURGEONS WITH THE RANK OF LIEUTENANT

Herbert P. Benn
Thomas W. Bennett
Alexander S. Dowling
William F. Lyons
Thomas M. Manley
William C. Martin
Jacob L. Rudd
William J. Sheehan
Robert T. Spicer
Charles V. E. Waggoner
Maxwell F. White

TO BE ASSISTANT SURGEONS WITH THE RANK OF LIEUTENANT (JUNIOR GRADE)

Gale G. Clark
Thomas C. Deas
Richard F. Dobbins
Edwin W. Edwards
Willard M. Fitch
Farrell F. Golden
James W. Gustin
Joseph H. Harris
Oliver S. Hayward
Judson H. Jenkins
James A. Kane
James R. Kingston
Harold H. Macumber
John P. Martin
William F. McKeever
Karl F. Menk
Frank J. Miselis
James A. Murphy
Edward G. Nedwicki
Vorris M. Reist
William R. Simonds
Harvey J. Thompson, Jr.
Paul V. W. Waldo
William E. Walsh
George R. Wiseman, Jr.

The following-named officers to the grades and ranks indicated in the Supply Corps of the Navy:

TO BE PAYMASTER WITH THE RANK OF LIEUTENANT COMMANDER

William M. Landau

TO BE PASSED ASSISTANT PAYMASTERS WITH THE RANK OF LIEUTENANT

Harry C. Graves
Harry Thornton

TO BE ASSISTANT PAYMASTERS WITH THE RANK OF LIEUTENANT (JUNIOR GRADE)

William E. Byrne
Joseph J. Dantone
George M. Driscoll
Frederick F. Fallis
Eldon H. Gleaves
William H. Haeuser, Jr.
Dudley J. Kierulff
John V. Koch
John E. Madden
Gerald M. Malcolm
Stanley A. Mann
Louis Rudkin
William H. Shannon
John H. B. Smith
Earle K. Snyder
Otis W. Stafford
Harold A. Stockenberg
Herman Strock
Herbert R. Thielmeyer
Charles J. Van Donge
Clarence J. Walters
James K. Webster
Earl W. Wood

TO BE ASSISTANT PAYMASTERS WITH THE RANK OF ENSIGN

Henry T. Adams, Jr.
William M. Adamson
Elmer H. Anderson
Gerald C. Anderson
Robert R. Anderson
Norton J. Arst
George Arthur
Joseph H. Baker
James C. Bartlett
Joseph H. Batchelder
William C. Bauknight, Jr.
Paul N. Bentley
Edward R. Bower
William L. Brown
Ramsay Browne
Louis F. Brozo, Jr.
Paul B. Burdick
Grinnell Burt, Jr.
Harry Cagle
Thomas R. Campbell
Thomas A. Cassin
Andre L. Causse 3d
Robert B. Charles
Reginald B. Comeau
George A. Cookinham
Foster F. Comstock
Alexander H. Cornell
Joseph O. Cosgrove
Arthur B. Crooks
Norman M. Crowder
John M. Dester
Clark Dunn
Ronald Eicher
Dwight H. Ellis, Jr.
Thomas C. Farrell
Donald J. Fisher
Paul B. Fitch
Earl T. Fortenberry
Paul J. Fritch
Albert C. Garbak
Walter J. Gardner
Mallard J. Gibson
John B. Gilbert
James E. Grisham
Robert W. Hale
Ever L. Hanson
George O. Hays, Jr.
Robert A. Hendry
Mark R. Hickey
John W. Holmes
Jesse E. Howell
John W. Hull
John C. Jaxtheimer
Harold B. Jensen
Joseph B. Jones
William S. Jones
John C. Kamps
Jackson K. Kern
Andrew E. King
Joseph A. Kooker
Leo L. Kornfeld
Alfred G. Lachmann
William S. Langley
Kenneth M. Larsen
Ernst Lamei
William H. Link
Leslie E. Lobaugh
Carl E. Lucas
Robert C. Lyons
William C. Maas
Matthew Mackey, Jr.
Prescott L. Marsh
William M. Martin, Jr.
John H. May, Jr.
William P. McElligott, Jr.
Thomas J. McLernon
Glenn F. Meader
Hugh R. Mellon
Dewayne C. Miller
Michael Mittrick
Kenneth S. Moore
Alfred B. Mueller
Douglas S. Murray
Samuel Mushnick
Merlyn A. Nelson
Robert F. Newsome, Jr.
James F. Nichols
Merrill H. Nichols
Robert A. Nix
Everett L. Noble
Charles L. Nott, Jr.
Edmund G. Oelkers
Richard C. O'Loughlin
Devere E. Olson
John J. O'Malley
William R. Ormsbee
Richard M. Oster
Marvin Ostrowsky
Donald E. Parrish
George W. Pennebaker
Joseph Z. Powell, Jr.
Carl A. Prince
Raymond E. Purviance
Guy M. Putnam, Jr.
Charles P. Ramsey
Edward J. Rinetti
John J. Risser
Otto C. Rothlaender
Kenneth A. Schar
Alfred R. Schilling
Thomas H. Seaver
Joseph M. Shea
Ramon A. Sherer
Peter V. Sira
Henry J. Skipper
George C. Smith
Joe G. Smith, Jr.
Robert J. Stampfl
Robert A. Stevenson
Robert I. Stewart
William L. Strong
John J. Sullivan, Jr.
Vernon E. Sutton
Thomas Svob
Elwin O. Swint
Paul Tasker
George "S" Thoroughman
Charles J. Toma
John G. Travis
Philip Troth
Eugene L. Tucker
Ray M. Turner
William J. Vance
Robert R. Van Der Maaten
Samuel Y. Walker
Louis F. Washburne, Jr.
Thomas C. Watts
Leo Webb
John W. Weigand

John H. Whitener
John R. Wible
Stuart S. Wilmarth
Bentley L. Wilson
Clark F. Woodard
George H. Wood
Paul W. Woodhead

The following-named officers to the grades and ranks indicated in the Chaplain Corps of the Navy.

TO BE CHAPLAINS WITH THE RANK OF LIEUTENANT

Roland D. Driscoll
Chester L. Hults
Alvo O. Martin

TO BE ACTING CHAPLAINS WITH THE RANK OF LIEUTENANT (JUNIOR GRADE)

Florian W. Cassady
Donald R. Caughey
Edgar A. Day
Francis G. Doerschug
Milton P. Gans
Jack C. Greenawalt
Edward J. Hemphill, Jr.
Earle V. Lyons, Jr.
Kermit I. Meier
Walter R. Morten, Jr.
James W. Paul
Albert D. Prickett
William A. Rennie
Thomas J. Richter
Roderic L. Smith
Eugene S. Swanson
Joseph J. Tubbs
Robert S. Waldrop

The following-named officers to the grades and ranks indicated in the Civil Engineer Corps of the Navy:

TO BE ASSISTANT CIVIL ENGINEERS WITH THE RANK OF LIEUTENANT COMMANDER

Harry W. Baumer
Dole F. Thomson

TO BE ASSISTANT CIVIL ENGINEER WITH THE RANK OF LIEUTENANT

James C. Tily

TO BE ASSISTANT CIVIL ENGINEERS WITH THE RANK OF LIEUTENANT (JUNIOR GRADE)

Albert H. Boggs
James R. Bollinger
William R. Boyer
William J. Byrnes
Robert E. Daggett
Roscoe A. Davidson
Adrian E. Eckberg
John F. Elliott
Edward H. Feldmann
Melvin G. Franklin
William H. Griffiths
Warren R. Grove, Jr.
Arthur H. Hanson
Chester A. Lewis
George Ohl, Jr.
Jack P. Pollock
Charles O. Reinhardt
Jerome W. Roloff
Herbert E. Smith
Richard H. Stowe
Edward L. Waldin

The following-named officers to the grades and ranks indicated in the Dental Corps of the Navy:

TO BE DENTAL SURGEONS WITH THE RANK OF LIEUTENANT COMMANDER

Donald "M" Coughlin
Thaddeus V. Joseph
Arthur H. Swanson
Samuel S. Wald

TO BE PASSED ASSISTANT DENTAL SURGEON WITH THE RANK OF LIEUTENANT

William F. Maguire

TO BE ASSISTANT DENTAL SURGEONS WITH THE RANK OF LIEUTENANT (JUNIOR GRADE)

Lloyd F. Abel
Adolph "A" Anfinson
Vincent H. Arhart
Richard L. Bardsley
George L. Cermak
Joseph G. Chudzinski
Robert F. Deetz
Joseph E. Faltermayer
Edmund H. Frizzell
Claud E. Galloway
Samuel Goldhaber
William H. Hartnett
Edward J. Jerdon
Nolan L. Johnson
Eugene L. Kerewich
Charles E. Loveman
Harvey W. Lyon
Glen H. McGee
Robert A. Middleton
Byrnes E. Missman
Roe C. Percy
Thomas W. Pope, Jr.
Harry E. Pump
Harry C. Pund, Jr.
Alfred L. Raphael
George M. Smith
Ben S. Steinert
Harold R. Superko
Wilbur A. Trick
Clarence G. Veno

The following-named officers to the rank of commissioned warrant officer in the Navy in the grades indicated:

TO BE CHIEF BOATSWAINS

William F. Adams
Robert C. Allen
Thurman J. Austin
Francis T. Bean
Wladyslaw S. Biernat
Arford C. Boyett
Cecil E. Bradford
Raymond E. Calhoun
Evan M. Chanik
William H. Chapman
Raymond G. Cook
James H. Danenhower
Clarence L. Davis, Jr.
Harvard F. Deen
Paul W. Dodson
Eugene L. Edgerton
Oscar L. English
Lamar W. Foley
Joe W. Grant
Arthur F. Hamby
Rex Harbert
Paul E. Henderson
Robert G. Hoffman
Rhodell L. Holderby
Trumond E. Houston
Raymond O. Hyland
"C" "B" Kossert
Peter Kowalchyk
John P. Kreckel
Leamond F. Lacy
George "W" Lewis
Charles H. Little
William C. Logan, Jr.
Henry H. Malan
James E. Manson
Chester A. Martin
Sidney J. Martin
Anthony A. Mazur
Albert P. McCloskey
Marvin P. McCormick
Malcolm W. McGaughey
Richard "K" Meyer
Thomas A. Miechurski
Hugh M. Miller
Charles E. Napier
Arthur W. Nordquist
Raymond Oddone
George E. Paris
Luther C. Parrott
Richard M. Peacock
John J. Pratt
Robert F. Reed
Lester L. Reynolds
Paul R. Rogers
Robert J. Siegelman
Leighton Spadone
Clyde H. Steele
Thomas M. Stell, Jr.
Milfred W. Thomas
Roswell Van Over
Elwood Vaughan
Dick Weidemeyer
Raymond M. Weimer
Clarence W. Westergaard
William F. Westfall
Thomas S. Williamson, Jr.
John L. Wimberly
Roy A. Woodliff
James R. Woolyhand
John A. Zehner

TO BE CHIEF GUNNERS

Terry B. Barr
Charles R. Brown, Jr.
Leonard A. Caslow
Joseph Catanzarito
Haskell Clark
Warren "L" Clary
Leonard H. Crain
Joseph H. Cupp
Silas W. DeLoach, Jr.
Claude L. Dickerson
Jack E. Dickson
Charles H. Eaton
Edwin H. Edgerton
Robert W. Eigell
Anthony Gannarelli
John J. Garrity
Charles W. Gibbo
James R. Guglietti
Harold L. Harriman
Staley P. Hawthorne
Henri L. Hayes
Carl Holmes
William G. Holmes
Forest M. Jones
Robert F. Jones
Howard W. Mabus
Berley L. Maddox
James D. March
Robert P. Mudd
Ernest J. Ogilvie
Edmond H. Oliver
Charles F. Pape
Orville W. Rockwell
Walter A. Sheltren
Kenneth L. Shurtleff
Norman L. Sorenson
Robert B. Stickles
Frank Sulewski
Kermit A. Thompson
John E. Tracy
Francis J. Tuggle
Edwin W. Williams

TO BE CHIEF SHIP'S CLERKS

Lowell B. Archer
Willis J. Boo
Ira N. Bowman
Wallace G. Brownell
Raymond S. Broyles
James E. Callan
Lyle E. Carter
Wilbur W. Carter
Thomas A. Conant
Thomas E. Craig
William M. Crowe
Pierre H. Dalton
William Q. Damon
Thomas H. Debri
Charles M. Dorris
William T. Duke, Jr.
Oliver E. Emmons
Loren P. Fitzgerald
Elton E. Flowers
Harold M. Frediani
Clayton P. Hall
Jack C. Hamilton
Harry R. Hathaway
Max W. Henry
Harold C. Hill
Dale C. Hillman
Joe W. Holland
Paul W. Hopkins
Metro Horoschak
Augustus C. Iles
Harry L. Jackson
Robert G. Jacobson
Philip W. F. Jones
George D. Kaley
Wayne W. Litchfield
Howard E. Mann
Kenneth L. Mell
James E. Morgan
Murrill C. Morris
Basil T. Morrison
Thomas D. Murdock
Gerald W. Murphy
Clifford R. Nevins
William C. Norcott
Edward D. Platz
Stuart G. Poole
Charles A. Potts
Gilbert W. Rappelt
Joseph C. Rhodes
Jack Rountree
John R. Shannon
George G. Sherry
George O. Sims
Horace W. Specht
Henry J. Statchen
John T. Sullivan, Jr.
Carl O. F. Swanstrom
George L. Tait
Robert C. Turner
Robert F. Turney
Anthony L. Vincelette
Joseph W. Wallace, Jr.
Edmund L. Wells
George D. Wendell
Gordon C. White
Wilmot L. Williams
Morris W. Woods

CONFIRMATIONS

Executive nominations confirmed by the Senate June 25 (legislative day of March 5), 1946:

POSTMASTERS

ARIZONA

James M. Rice, Fry.

ARKANSAS

Allie Marie Lanier, Joiner.
Otho Norris, Poughkeepsie.

COLORADO

Earl A. Riggs, Gilcrest.

IDAHO

Evelyn R. David, Bovill.

KANSAS

Fred M. Allen, Burden.

LOUISIANA

Lillie M. Scarborough, Angie.
Laura P. Grantham, Bush.

MARYLAND

Joseph E. Nolan, Kingsville.

NEBRASKA

Louis L. Lewandowski, Ashton.

NEW YORK

Edward T. Mulhern, Brockport.
Alton B. Moses, Parishville.
Norman L. Howell, Sunmount.

NORTH CAROLINA

Joe R. Johnson, Toecane.

OREGON

Eleanor R. Stewart, Monroe.
Ross H. Linville, Yachats.

PENNSYLVANIA

William H. Lambie, Liverpool.

SOUTH CAROLINA

Wilbur E. Williams, Wagener

TENNESSEE

William J. Collins, Elora.
Thomas Earl Hudson, Flintville.
Bennett L. Guthrie, Forbus.
Floyd E. Joyner, Huntingdon.
Cordia T Miller, Indian Springs.
Lex Taylor, Whitleyville.

WISCONSIN

Oscar W. Lindall, Cushing.
Edna Aschinger, Tigerton.

WYOMING

Lee Waddell, Moorcroft.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 25, 1946

The House met at 10 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Father of love and mercy, how unsearchable are Thy riches! O let the heart unveil the vision splendid, for the human soul is big with the sense of the future. As intellect seems so often sightless and wandering, we pray that the soul may lead us along the upward path. Over the broad earth Thy children are crying for help and bread. Needy millions, blinded by ignorance, are before us as a great opportunity for all loving hearts. O God, let us taste the comfort that comes to the soul when clothed with sacrificial action. Reenforce our minds with sympathy and justice for others; let